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S. 2012, THE ENERGY POLICY MODERNIZATION ACT OF 2016

MEETING OF SENATE AND HOUSE CONFEREES

ONE HUNDRED FOURTEENTH CONGRESS

SECOND SESSION

THURSDAY, SEPTEMBER 8, 2016



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S. 2012, THE ENERGY POLICY MODERNIZATION ACT OF 2016

Meeting of Senate and House Conferees

THURSDAY, SEPTEMBER 8, 2016

U.S. SENATE,
Washington, DC.

The conferees met, pursuant to notice, at 9:39 a.m. in Room SD–106, Dirksen Senate Office Building, Hon. Lisa Murkowski, Chairman of the conference committee, presiding.

OPENING STATEMENT OF HON. LISA MURKOWSKI, U.S. SENATOR FROM ALASKA

The CHAIRMAN. Good morning, everyone. It is nice to be here as we begin the first meeting of conferees for S. 2012, our bipartisan, and now our bicameral, energy bill. The conference will come to order.

At this time it is my privilege to yield to the Representative from Michigan and Chairman of the House Energy and Commerce Committee, Mr. Upton.

Representative UPTON. Well, thank you, Madam Chair. I am delighted that we have Alaskan water.

The CHAIRMAN. Absolutely.

Representative UPTON. And now that I am in the Senate, I am glad I can get my phonebook to get up here.

[Laughter.]

Representative UPTON. Thank you, Frank.

It is a delight to be here. I would like to make a motion, to move on behalf of the House that you serve as Chairman of this conference committee. You and I have worked closely on a whole host of issues over the years. We are great friends. I look forward to making progress with all of my colleagues on both sides of the aisle in both the House and Senate and would like to make the motion that you be Chair.

I yield back.

The CHAIRMAN. I thank the distinguished Congressman from Michigan, and without objection, that shall be the order.

So before I proceed with my opening statement this morning, I want to give everyone some idea of how we will conduct this conference, how we will proceed today.

As we announced in the meeting notice, each conferee will be recognized this morning for up to two minutes for the purpose of offering a statement on the conference. Members wishing to include

longer remarks in the record—which I would imagine there will be many of those—will certainly be permitted to do so. We would ask that you submit them in writing by close of business today, and please submit them to Darla Ripchensky of the Senate Energy and Natural Resources Committee staff. No bill, text, or amendments will be considered at this meeting of the conferees. An order of recognition for statements was distributed to everyone. A copy should be available at every conferee's seat.

What we will do is move to opening statements in the order that you see reflected on that list. If individuals are not present at the time their name comes up, we will adjust accordingly so that we ensure that everyone has an opportunity to put a comment on the record this morning.

With that, I will turn to my opening statement, and I will be brief this morning.

First, I thank my Senate colleagues for the work that you have done, that we have done together, to build a bipartisan product that I think we are all proud of. I want to thank and acknowledge our House colleagues for the good work that they have done in advancing their energy proposal through the House.

Now I think there are some who would admit readily that they never thought that we were going to get this far, that they doubted whether we would be able to write a bill, much less pass it, let alone make it to conference. I think we have been written off by every trade journal at least three or four times along the way.

But that is behind us now. Our task now, which our staffs began over this recess that we just concluded, is to develop a final bill that can be signed into law. That is my goal here. My goal is to update our energy policies in this country and to get a conference report, a bill that can be signed into law by the President. We all know that we can do this, we all know how important it is to do it, and we all have priorities, of course, for this conference report.

So today, instead of listing what my priorities are, I want to tell you that I intend to run this conference in the same manner, in the same very open, transparent, and bipartisan manner that allowed us to pass our Senate bill.

But I am also here this morning to listen to you, to your goals, your preferences, and your expectations for this conference. We all know that we are going to get down in the weeds on legislative text, so I want to quickly point to the big picture so that we do not forget why we are here. This is our chance, colleagues. This is our chance to modernize our energy policy. It is our opportunity to update policies that have not been updated in almost nine years. It is an opportunity for us to help the people that we serve.

So let us work together. Let us finish the job. Let us prove the skeptics wrong. Let us succeed where so many of us just kind of anticipate that we will fail. I intend to work with you to write a good, strong conference report. Let us make this the first major energy bill signed into law in almost a decade. I look forward to working with you.

With that, I will turn to my friend and Chairman of the House Energy and Commerce Committee, Representative Fred Upton.

STATEMENT OF HON. FRED UPTON,
U.S. CONGRESSMAN FROM MICHIGAN

Representative UPTON. Well, thank you, Madam Chair. I am delighted to be here. I know all my colleagues are anxious for that opportunity, and I just want to say we do want to work together. We do want to prove the skeptics wrong. I think there is a sweet spot that we can rally around, and I am here to listen and to work and to get things done and not take the avenue of sending a bill to the President that he would veto. That is not on my list of things to get done. It is not going to happen.

But today does mark an important milestone in the ongoing efforts to advance a comprehensive energy package that says both yes to energy and yes to jobs. I again thank all my colleagues. We are moving in the right direction by convening this conference this morning.

Fortunately, this bill and this conference are unlike the previous ones. We are not here trying to address concerns about energy scarcity, high prices, and dependence on imports. Thanks to private sector innovations leading to an increased domestic oil and gas output, the script has been flipped and Congress can now approach energy issues from a position of real strength.

But that is not to say that there are not problems that need to be addressed, and we need to update existing federal energy programs that reflect the state of energy markets and technology today. Many policies based on energy scarcity are simply no longer appropriate, and efforts to expand the nation's energy infrastructure have run up against the old permitting regimes that simply are not up to the task.

This Congress we have seen one such successful energy policy update when we lifted the 40-year-old ban on oil exports. Provisions ending the obsolete ban on exports of American oil were originally part of the House energy bill last December, but were signed into law separately late last year by the President. Now we are beginning to see the benefits of these exports through the creation of jobs, improvements in our balance of trade, and yes, competition with Russia and Iran and others who used to dominate those oil markets.

We can extend that access to LNG exports in the energy bill by including provisions streamlining the approval of natural gas export facilities. Energy exports are only one facet of our national energy policy that need to be brought into the 21st century. We have got to make sure that any package recognizes the need for responsible development of needed infrastructure and contains permanent reforms that will bring accountability to federal and state decisionmakers who are tasked with improving new and modified projects. So we need to balance new efficiency provisions with the market's ability to meet consumer demands for more efficient products. Let us get to work.

I yield back.

The CHAIRMAN. Thank you, Chairman Upton. I also appreciate your strong leadership.

To my friend and colleague working together to really advance some key priorities out of the Senate, I appreciate so much the

work of my Ranking Member, Senator Maria Cantwell from the State of Washington.

STATEMENT OF HON. MARIA CANTWELL,
U.S. SENATOR FROM WASHINGTON

Senator CANTWELL. Well, thank you, Madam Chair, and thank you for convening and chairing the conference today. I thank all of our colleagues who have joined us here, and I certainly welcome our House colleagues and look forward to hearing each and every one of their statements today.

In April, the Senate voted 85 to 12 to pass the first comprehensive energy bill, as my colleague said, in nine years. I again want to thank the staff on both sides of the aisle for everybody's hard work on that. And I certainly thank Chairman Murkowski for that hard work, because she and I did work closely on that legislation with a mix of ideas from over half of our Senate colleagues. That means that this legislation that we passed had more than 50 Senators' individual provisions in the bill. So I can say it was a well-worked process by our Senate colleagues.

Even saying that, I do not think it is a perfect bill that we passed out of the Senate, but it was a very conscious decision to work jointly on a path that moves us forward. I hope that this conference committee will do the same thing, because that is how we got great results.

I think that you have already heard statements, and I think we all agree that modernizing and securing our energy infrastructure is key to our nation's competitiveness, particularly in a global economy. The Senate bill includes a number of much-needed provisions that enhance energy efficiency. These are ideas that save consumers billions of dollars, they update our electricity grid, they increase our reliance on clean energy, and they help us train a workforce that we need.

In addition, the bill makes important investments in smart buildings, advanced energy storage technology, composite materials, and vehicle batteries. All of these things are about the modernization and the next steps we need to take in our energy economy.

I was also very pleased to work on a bipartisan basis in a very diligent manner to provide language permanently authorizing the Land and Water Conservation Fund. Our colleagues on both sides of the aisle provided language to update that provision. This is one of the preeminent programs in our country for preserving open space and a growing outdoor recreational economy that is so important to our Northwest economy. It is thousands of jobs and, millions—actually, I think billions of dollars in revenue.

I am optimistic that the conference committee can resolve the differences between the House and Senate and will result in a bill that the President can sign. So I take my colleague from Michigan's words that we do not need to be pushing forward ideas that are going to be threatened by veto. Instead, let us work together to get a policy that can move us forward.

This country is experiencing a very dramatic transformation in energy, and we need to make sure we are updating the policies at the national level to help that transformation continue to take place.

I look forward to working with my colleagues, and as I said earlier, hearing from each of our House colleagues about this and their important ideas coming from the House so that we can work together and get a bill that can be signed by the President by the end of this year.

The CHAIRMAN. Thank you, Senator Cantwell.

We now turn to the Ranking Member on the House Energy and Commerce Committee, Representative Frank Pallone.

STATEMENT OF HON. FRANK PALLONE, JR.,
U.S. CONGRESSMAN FROM NEW JERSEY

Representative PALLONE. Thank you, Senator Murkowski, for formally convening this conference. It is not a secret the House and Senate took very different paths to this conference. While the bipartisan Senate bill in my view could be much stronger in a number of areas, the House version, which was a result of a highly partisan process, would unacceptably increase energy use and cost to consumers and would undermine our nation's climate goals.

As we begin the process of working to reconcile two very different bills, it is important that any final conference report includes three essential components: infrastructure investment and modernization; direct benefits for consumers, including programs that empower them to manage their energy consumption and cost; and it must be consistent with our nation's climate goals to reduce greenhouse gas emissions. Any final conference must also include adequate funding for these three areas.

Today, much of our energy infrastructure is aging, rooted in the past, and does not really serve our current and future energy needs. A final product should focus on modernizing our infrastructure and reducing its vulnerabilities to extreme weather and attacks from those seeking to do us harm. It should also facilitate the deployment of smarter electric grids to support more distributed and renewable energy generation. Any final conference report should accelerate efficiency gains, not undermine them. Today, consumers are demanding energy efficient products and we must continue to make progress in order for consumers to see additional benefits.

Finally, any modern energy policy must deal with climate change. Certainly, we have made progress with renewable energy and efficiency, but there is much more that we can and must do to reduce our overall energy use and to switch to cleaner energy sources.

The cost of climate inaction is growing, and my state has already paid a steep price. The number of extreme weather events and the cost of these events in lives and property continue to rise. We do not need a Blue Ribbon Commission to debate the science. Instead, we need an energy policy that embraces the deployment of newer, cleaner, and cheaper technology that will grow our energy choices and economy while reducing both consumers' bills and greenhouse gases.

Clearly, there is a lot to do, yet very little time to do it. Nonetheless, it is still possible to produce a consensus product that the President will sign, and I am certainly willing to continue working to make that a reality. However, in order to accomplish that goal,

we must be honest with ourselves about our limited ability to resolve highly contentious and complex matters in the short timeframe that we have.

So in conclusion, if we produce final legislation that makes significant progress on three key issues—infrastructure investment, sustained consumer benefits, and addressing climate change—then we will produce a product that I will support.

I yield back. Thank you, Madam Chairman.

The CHAIRMAN. Thank you, Representative Pallone.

The Senator from Wyoming, Senator Barrasso.

STATEMENT OF HON. JOHN BARRASSO,
U.S. SENATOR FROM WYOMING

Senator BARRASSO. Well, thank you very much, Madam Chairman. I want to just commend you and Senator Cantwell and your staff for the work that the two of you have done on this bill. It has been absolutely remarkable. It has been no small feat to shepherd through broad energy legislation with the support of 85 Members of the United States Senate, including every Member of the minority who voted for final passage. That is 44 Senate Democrats who were there that day to vote. I think it was no small accomplishment to get to where we are today, the first conference committee on energy legislation in over a decade. You and Senator Cantwell deserve tremendous credit.

I also want to thank Chairman Upton, Chairman Bishop, and the members of the House of Representatives for their contributions. I strongly support so many of the provisions in the House bill, and I am going to work to get them included in the final conference report.

As you said, Madam Chairman, conventional wisdom is that the conference committee is unlikely to succeed. It is widely believed that there are some Democrats in the Senate as well as in the House that are going to try to delay reaching an agreement until after the election or perhaps until the next Congress.

So Members have to decide. Do we want to reach an agreement or not? If we do, we can get it done. We can get a conference report to the President's desk in short order. On the other hand, if some of the Democrats do not want to reach an agreement, I would remind them not to assume that this opportunity or this offer will be available in the next Congress.

Thank you for your leadership, Madam Chairman.

The CHAIRMAN. Thank you, Senator Barrasso.

Next we will turn to the Chairman of the House Resources Committee, our friend and the Congressman from Utah, Representative Bishop.

STATEMENT OF HON. ROB BISHOP,
U.S. CONGRESSMAN FROM UTAH

Representative BISHOP. Thank you, Senator Murkowski, and I appreciate your leadership that you have given on this entire effort as we go forward with that.

I also want to thank the staff. As we went home from Congress, they stayed here and they have been working tirelessly on this particular bill, the provisions. I want to thank them for their efforts,

and I want you to know I am so sorry for what you have had to do——

[Laughter.]

Representative BISHOP.—which is why I am not going to revise and extend lengthy remarks because you do not want to read them anyway.

I do want to say the following, though. It has been, as has been mentioned, almost a decade since we last had an energy package. Technologies have emerged which have enabled us to safely and responsibly access resources that were previously unrecoverable and uneconomical to produce. But Americans will benefit only if we pursue policies that spur innovation. Americans need to share in low prices of American energy abundance. It can be produced and it can help their lives if we do so.

Permitting processes also need to be made to make sure that the rights-of-ways across federal land are guaranteed because, let us face it, there is a place where you produce energy and a place where people live. It is not the same area. We need to be able to move the resource from one place to another. Those policies need to be worked in there. We need to increase supply and new efficiency, and there are two specifics I would like to mention in the energy portion of this dialogue that are a concern for me. Energy code language in the House version is critically important. American families deserve a reasonable return on their investment, especially since these codes are forced upon them. Secondly, I also remain concerned with potential language in this package that may impact waste energy facilities that help power many of our military installations. I look forward to working with the staff as well as leadership of this committee to solve these particular problems in this way.

But there are provisions on both sides that we have before us. Some have passed the Senate and not the House and vice versa. Some have received veto threats and some have not. But in my mind everything should be on the table, and there is enough good, low-hanging fruit that we can come up with a good package at the end of the day.

But I do want to emphasize that solutions to drought, solutions to forest health and catastrophic wildfire, solutions to tribal energy, and solutions to overcoming regulatory barriers for sportsmen and recreational activities are before us and they are long overdue. If we do not take this opportunity to solve these problems now, history will not be kind to us. We have an opportunity to do things that are good for people. I am anxious to get on with it so that we can produce a package that actually helps people.

I yield back.

The CHAIRMAN. Thank you, Chairman Bishop.

We will next turn to my friend from Oregon, the fine Senator, Ron Wyden.

STATEMENT OF HON. RON WYDEN, U.S. SENATOR FROM OREGON

Senator WYDEN. Thank you, Madam Chair. And, Madam Chair and colleagues, I continue to be upbeat and optimistic about our ability to come together and produce a bipartisan product. It is

never too early to move strongly and work out differences. We have got some heavy lifting to do, and I am convinced we can do it.

Now, Madam Chair and colleagues, I am especially upbeat about the prospects for this bill to boost rural America. In our part of the world the cities are really bouncing back, yet too many rural areas are hurting. Rural America is where much of renewable energy development takes place, and it is where the resources needed to protect our public lands are centered. So I intend to work closely with colleagues on both sides. I am just going to touch on three issues very quickly.

The first is the issue of forestry where it is fair to say this is a burning issue, literally and figuratively, with the wildfires. They have raced across the West in our country this summer. The fires are getting bigger and they are getting hotter, but the way the federal budget works for dealing with them is just broken. You have got fire borrowing. We have a lot of history of working in a bipartisan way on this issue, and I intend to work with our colleagues to get this issue solved in the conference and stop eroding our forest agency budgets.

Second, I think we have a lot of opportunities for this conference to be seen as a bellwether for innovation. The Senate bill, for example, sparks new geothermal energy development and builds renewable energy on public lands. There is a bipartisan game plan for energy-efficient building codes, the SAVE Act. These are provisions that I think, if we can lock them in in a final agreement, are going to be seen as innovative.

On water, the Senate bill addresses a variety of issues. I am particularly interested in resolving the long-standing battle with the Klamath Basin, and I look forward to working with our colleagues on the drought issues as well.

Finally, this is a conference on energy, but there are other issues at play that communities are going to be paying attention to. First, the conference has a chance to authorize the renewal of the Secure Rural Schools program, which, apropos of rural America, is a lifeline. My colleagues on the Energy Committee know that we are particularly proud of our history of originating this bill, originating it in a bipartisan way, and communities need the certainty of reauthorization.

Finally, the permit authorization in the Land and Water Conservation Fund is a particularly valuable part of the Senate bill. I think the way we have worked on it in the Energy Committee and in the Congress has been sensible by focusing on a permanent and mandatory approach. I know there is controversy about it, but I hope we can work that out.

With that, Madam Chairman, I will just say I look forward to working with all of you in getting this done.

The CHAIRMAN. Thank you, Senator Wyden.

We next turn to the Ranking Member on the House Resources Committee, Congressman Grijalva.

STATEMENT OF HON. RAÚL M. GRIJALVA,
U.S. CONGRESSMAN FROM ARIZONA

Representative GRIJALVA. Thank you very much, Madam Chair. Let me also congratulate you and Senator Cantwell for getting all

of us to this point. There were some who did not believe a bipartisan compromise on energy was even possible in the Senate or that we would be having a formal conference meeting for the first time in 10 years, but you have proven me—let me correct that—them wrong——

[Laughter.]

Representative GRIJALVA.—and I think it is important to note and to understand that even in these highly partisan times that we are in it is possible for people to find common ground on some of the extremely important issues that our country faces.

The Senate bill contains a number of valuable energy provisions from geothermal to efficiency to grid security. Of course, we should go further. I would like to see a final bill that makes meaningful changes in our energy supply, putting us solidly on a path toward a clean energy future and ending the total dependency on fossil fuels. I would like to see a final bill that ensures that oil, gas, and coal companies are paying their fair share for the resources that they extract from public land. Unfortunately, this has been and will be an uphill battle given the current House majority priorities. Instead of focusing on areas of agreement, the House majority sent over a long list of controversial bills that muddy the waters and make getting to an agreement on a final bill more difficult.

What is needed is essential responses to infrastructure needs and investment in this country, a response to the future adaptation that will be required in order to respond to the demands of climate change, and I think it is important that as we work toward a bipartisan compromise that we limit if not outright eliminate the messaging points that will prevent bipartisan agreement and almost guarantee a veto, or spend a lot of time solving problems that do not exist.

I am particularly optimistic because this conference provides us with a historic opportunity to permanently authorize the Land and Water Conservation Fund (LWCF). In the Senate, 85 Senators voted in favor of the permanent reauthorization, and my legislation in the House, H.R. 1814, currently has 209 cosponsors. This is as close to a critical mass as we get around here, and it makes LWCF essential to any bipartisan conference agreement. LWCF has been a popular bipartisan program for over 50 years, and there is no reason we should not seize this opportunity to prolong its success.

Again, Madam Chair, I look forward to a productive conference, and thank you again.

The CHAIRMAN. Thank you, Congressman.

We will now turn to the Senator from Idaho, Senator Jim Risch.

STATEMENT OF HON. JAMES E. RISCH, U.S. SENATOR FROM IDAHO

Senator RISCH. Well, thank you very much, Madam Chairman.

I think that by now it should be obvious to everyone that, on the Senate side at least, we started with a goal of attempting to get a bill passed. We all know that around here the only way you get a bill passed of this magnitude is to take the poison pills off the table and work in areas where there is agreement, where things can get done that should be done and need to be done.

And so with that, we have produced this bill that produced a very large vote in the Senate. We hope we can reach the same agreement with the House and pass what we can agree on. Now that does, of course, always involve taking on some things that you do not necessarily want to take on, but in order to give and take and get a bill passed, here we are.

I want to touch on just a few aspects that this bill does and some things that it does not do that probably should be at least considered as we go forward. First of all, for those of you who sit on the Intelligence Committee, you know that this bill addresses modernization of cybersecurity efforts and enhances those efforts.

Although we cannot go into details, there are a lot of us that believe that the next major event in America is going to be a cybersecurity event. Everything is connected through cybersecurity, whether it is our personal daily lives or whether you are talking about national security matters or whether you are talking about the grid. And the grid, as we all know, is a target and it is vulnerable. This bill addresses that vulnerability. It does not go necessarily everywhere it should go, but it is a step in the right direction. This bill has a very positive effort if you are interested in national security, which I think most of us are.

Secondly, this bill does address moving the nuclear energy initiatives here in America forward. There are some people who do not believe that that is the appropriate thing to do, but I think most people are of the frame of mind that the future belongs to nuclear and that is where we need to go.

This bill does a number of other things, brings on the Sportsmen's Act that we need. It talks about safe and Secure Rural Schools. It does not go far enough. It needs to be reauthorized.

Madam Chairman, I look forward to working with my colleagues to see if we can reach a middle ground. Thank you.

The CHAIRMAN. Thank you, Senator Risch.

Next, we turn to the Chairman of the House Science Committee, Representative Smith from Texas. Welcome. It is good to have you here.

STATEMENT OF HON. LAMAR SMITH,
U.S. CONGRESSMAN FROM TEXAS

Representative SMITH. Thank you, Chair. Chairman Murkowski, Chairman Upton, thank you all for convening this initial energy conference meeting today. I am pleased to support the House amendment to the Senate Energy Policy Modernization Act, and I particularly look forward to working with my Senate colleagues to adopt division D of this legislation into the final conference agreement.

Division D includes four energy titles from two major House-passed Science Committee bills: H.R. 1806, the America COMPETES Reauthorization Act of 2015; and H.R. 4084, the Nuclear Energy Innovation Capabilities Act.

Division D is both pro-science and fiscally responsible and sets America on a path to remain the world leader in innovation, energy production, and economic growth. Division D prioritizes basic research, decreases spending, and requires the Department of Energy

to reduce waste and duplication and more effectively invest limited federal resources.

Title V reauthorizes DOE's Office of Science for two years. It also prioritizes basic research at the national laboratories, which enables researchers in all 50 states to have access to world-class user facilities. These include supercomputers and high-intensity light sources.

Title VI likewise reauthorizes DOE's applied research and development programs and activities for Fiscal Year 2016 and Fiscal Year 2017. This includes the Office of Electricity, Nuclear Energy Research and Development, Energy Efficiency and Renewable Energy, Fossil Energy R&D, and the Advanced Research Projects Agency-Energy.

Title VI returns the unjustified growth in spending on late-stage commercialization efforts within the Office of Energy Efficiency and Renewable Energy to levels consistent with those proposed under the previous Administration. This refocuses the office on basic and applied research efforts, which have the greatest potential for scientific breakthroughs.

Title VII cuts red tape and bureaucracy in the DOE technology transfer process and modernizes the management and operation of DOE's national labs to spur private sector-driven innovations and commercialization.

Finally, Title XXXIII, House Conferee and Science Subcommittee on Energy Chairman Randy Weber's House-passed nuclear energy bill directs the DOE civilian nuclear energy R&D directly contributes to a revitalized American nuclear power industry.

Title XXXIII finances the strengths of the national labs, universities, and the private sector to advance groundbreaking nuclear science and technology. It also creates a reliable mechanism for the private sector to partner with DOE labs to build breakthrough fission and fusion prototype reactors at DOE sites. Title XXXIII will spur American competitiveness and keep us on the forefront of nuclear energy technology.

Title XXXIII also is in the NDAA defense conference now and should be included and passed as part of that bill. This will ensure that this crucial economic security opportunity for a domestic nuclear power renaissance is not lost.

Together, division D sets the right priorities for federal civilian energy in basic research. It enhances future innovation and U.S. competitiveness while reducing spending in the federal deficit by over $550 million.

I look forward to a good-faith negotiations with the members of this conference committee and encourage the adoption of division D of the House amendment in the final conference report.

Thank you, Madam Chairman, Mr. Chairman, for the opportunity to speak today.

The CHAIRMAN. Thank you. We will next turn to Representative Johnson from Texas, the Ranking Member on the House Science Committee.

**STATEMENT OF HON. EDDIE BERNICE JOHNSON,
U.S. CONGRESSWOMAN FROM TEXAS**

Representative JOHNSON. Thank you very much, Madam Chairman and Ranking Member Cantwell, for convening the meeting today. I appreciate the hard work that you and your staff have clearly put into trying to achieve a growing bipartisan compromise that would provide a legislative foundation for the future of our nation's energy policy for years to come. I know that it is no small accomplishment to achieve such an agreement in the Senate and you are to be congratulated.

Unfortunately, we were not as successful in our efforts in the House, and the House bill under consideration at this conference does not have the same level of bipartisan support as its Senate counterpart. Regardless, I hope that we now recognize that the only way we will be successful in producing the first comprehensive energy bill to make it to the President's desk in nearly a decade is to set politics aside—and yes, even in an election year—and work together to address these critical issues. Even that will not guarantee that we will be able to get a conference report agreed to, but I can guarantee you that we will fail if we let politics and ideology rule.

I know that staff-level discussions have been underway on a number of provisions within the jurisdiction of the Science Committee, and I hope that we can continue to make progress on them in the conference.

The Senate has advanced sensible provisions for ARPA-E, vehicle technologies, energy storage and related areas, and the House has advanced language that committee Democrats support related to nuclear and fusion energy, research hubs and centers, and improving technology transfer from the labs to the marketplace. We will be able to achieve agreements on those sections of the conference if all parties are serious about seeking a constructive path forward.

So there are clearly some provisions in my committee's jurisdiction that I expect to support but others that I continue to have concerns with in each of the House and Senate bills; however, I promise to be a constructive partner throughout the process, and I hope that we can all follow the example that our friends in the Senate have provided on how to strive for a bipartisan consensus.

I thank you and yield back.

The CHAIRMAN. Thank you, Representative Johnson.

We will next turn to the Senate Majority Whip, Senator Cornyn from Texas.

**STATEMENT OF HON. JOHN CORNYN,
U.S. SENATOR FROM TEXAS**

Senator CORNYN. Thank you, Chairman Murkowski. I am glad to be here today as we begin this important conference to update our nation's energy policy. The fact that we are here is, I think, a credit to not only efforts on both sides of the Capitol but particularly to the relentlessness of Chairman Murkowski and Ranking Member Cantwell to help the Senate resolve its differences to bring us here today. I know it was not easy, and the fact that it has been almost 10 years since we have successfully passed an energy bill reflects that.

I am particularly appreciative of the fact that the Senate and House bills include provisions important to my state, including the LNG export language. But it is not just important to Texas; this is important to the nation. This provision would establish a deadline for the Department of Energy to take action on applications to export LNG. As we have all noted previously, this is not just a matter of economics and jobs. This is a matter of supplying energy to our friends and allies around the world, particularly those against whom energy is from time to time used as a weapon.

So because 7 out of 10 of the non-FTA LNG export applications currently under review by the DOE are located in my state, this provision is particularly important, but these projects will create thousands of jobs and billions of dollars in added revenue. But this economic impact just does not stop where these terminals are located. It would benefit the entire country's economy while boosting international security efforts. The truth is, eliminating regulatory uncertainty is essential to the successful development of these multibillion-dollar investments, and it will help our energy suppliers export more LNG to our allies in need of safe and more diverse energy sources.

I look forward to working with all of our Senate and House colleagues to get this job done. Thank you, Madam Chairman.

The CHAIRMAN. Thank you, Senator Cornyn.

We will now turn to the Ranking Member of the House Agriculture Committee, the Congressman from Minnesota, Mr. Peterson.

Oh, excuse me, I am sorry, the Chairman of the House Agriculture Committee, Mr. Conaway from Texas. That is why you were giving me that look——

STATEMENT OF HON. K. MICHAEL CONAWAY, U.S. CONGRESSMAN FROM TEXAS

Representative CONAWAY. Collin gave me his proxy, by the way. [Laughter.]

And he wants credit, full credit for not taking up any more of the committee's time, so I need to speak for both of us.

The CHAIRMAN. We will note that accordingly.

Representative CONAWAY. I appreciate that. Thanks for letting me be here today.

The CHAIRMAN. Thank you. My apologies.

Representative CONAWAY. There are three priorities that the Ag Committee has, and I will speak to each of those. First, the Commodity Futures Trading Commission (CFTC) is the federal agency's expert body on commodity markets. Both the Energy Information Agency (EIA) and the CFTC already do important work studying and analyzing energy derivatives markets. The EIA does its work through the Office of Energy Markets and Financial Analysis, and the CFTC does its work through its Division of Market Oversight.

In addition, the CFTC has previously established an interagency working group to investigate the effects of increased investment in energy commodities on energy prices. Given that this work is already being done both at the CFTC and the EIA, sections 4501 and 4502 are duplicative in the extreme and should be removed. I be-

lieve there are better uses for taxpayer funds as this work and the information it provides are already available.

Second, we disagree with the permanent authorization of programs because that prevents Congress from providing necessary systematic oversight and review. For this reason, the committee, while we support the Land and Water Conservation Fund, we just disagree strongly that it should be a permanent authorization. We ought to be looking at that periodically.

And third, the Resilient Forest Act of 2015 is an important step in expediting forest management activities in our National Forest System and Bureau of Land Management to promote healthy, resilient forests and prevent wildfires. I am proud of the work done by the House Committee on Agriculture and the House Natural Resources Committee to pass this bipartisan bill, and we strongly support including this in the final conference package.

Again, I am speaking on behalf of Collin. He gave me his proxy and he gives his two minutes back to the committee. With that, I yield.

The CHAIRMAN. Thank you, Representative Conaway.

Next on the list is Representative Peterson, and he is not with us, so we will turn to Representative Hardy from Nevada on the House Transportation and Infrastructure Committee.

STATEMENT OF HON. CRESENT HARDY,
U.S. CONGRESSMAN FROM NEVADA

Representative HARDY. Thank you, Madam Chair. It is a pleasure to join my colleagues today on the other side of the Capitol and discuss this energy package, and I wanted to briefly share a few comments.

It is not a secret that our energy policies are outdated and stale for the 21st century America and the 21st century worker. This sector has enormous potential and we need to concentrate on updating or reforming our policies for the growth and job creation.

The current processes in place too often hinder our progress and this must be addressed. But I must say that, with my background in construction and transportation, I am very enthusiastic about the path that my colleagues are moving on and taking in the Transportation and Infrastructure Committee regarding some of these important issues. I look forward to finding common ground and working on many of these issues. Thank you.

The CHAIRMAN. Thank you, Representative Hardy.

Representative DeFazio from Oregon, the Ranking Member on the House Transportation and Infrastructure Committee.

STATEMENT OF HON. PETER A. DEFAZIO,
U.S. CONGRESSMAN FROM OREGON

Representative DEFAZIO. Thank you, Madam Chair, and thanks to Chairman Upton, Ranking Member Pallone, and Ranking Member Cantwell. I appreciate the opportunity to serve here on the T&I Committee. I do not have Chairman Shuster's proxy.

I will say that there are a number of provisions in the Senate bill which I find preferable and particularly those that relate to energy efficiency in federal buildings, 360,000 federal buildings, that we can deal with a number of issues should we make those build-

ings more efficient in addition to saving the taxpayers money. I am also pleased the Senate bill has a reauthorization of brownfields program. I think there is strong bipartisan support for that in the House, and I hope that conferees include that in the bill.

There are also miscellaneous provisions that do not relate to my committee, but as the former Ranking Member of Resources, I wish to raise. One is the ending of fire-borrowing. We have been lucky this year, but most years Forest Service, BLM spent more than half their budget fighting fires, and ironically, when they exhaust the firefighting funds, they have to cut back on programs that would improve forest health and mitigate future fires. The provisions in this bill from the House would help deal with that issue.

And also, the bill includes three miscellaneous provisions relating to Oregon tribes, which Chairwoman Murkowski just moved out of her committee separately, and I would hope that the conference could agree to retain those in the bill.

With that, Madam Chair, I yield back the balance of my time.

The CHAIRMAN. Thank you, Representative DeFazio.

Representative Barton is not with us. Representative Bobby Rush from Illinois on the House Energy and Commerce Committee, welcome.

STATEMENT OF HON. BOBBY L. RUSH,
U.S. CONGRESSMAN FROM ILLINOIS

Representative RUSH. I want to thank you, Madam Chairman. Let me begin by acknowledging you, Madam Chair, and Ranking Member Cantwell from the Senate Energy and Natural Resources Committee, as well as Chairman Upton and Ranking Member Pallone of the House Energy and Commerce Committee where I have the pleasure of serving as Ranking Member of the Energy and Power Subcommittee. And I want to acknowledge all the distinguished Chairmen and Ranking Members from various committees for all of their hard work both individually and collectively in bringing this conference together.

Madam Chair, it has been almost 10 years since Congress last enacted a comprehensive energy bill, and with all of the changes that have taken place in the energy landscape since that time, I remain hopeful that we can come together and move forward on a consistent bill that moves our nation's energy policy forward.

I will continue to work in good faith with my Senate and House colleagues to craft a balanced bill that benefits consumers as well as producers, a bill that is consistent with President Obama's climate goals of reducing greenhouse gas both domestically and globally, and a bill that invests in our nation's infrastructure and workforce in order to meet the energy demands of the 21st century.

Specifically, Madam Chair, I am pleased that the workforce section of this bill focuses on training minorities and out-of-work energy workers while institutionalizing the much-needed Minorities in Energy Initiative established by Secretary Moniz. If we want to make sure that all communities are able to succeed, then we must invest in these communities.

Madam Chairman, I want to thank you so very much, and I look forward to continuing the hard work that beckons us all. With that, I yield back.

The CHAIRMAN. Thank you, Congressman Rush.

We next turn to Representative John Shimkus from Illinois on the House Energy and Commerce Committee.

STATEMENT OF HON. JOHN SHIMKUS,
U.S. CONGRESSMAN FROM ILLINOIS

Representative SHIMKUS. Thank you, Madam Chair. It is great to be here. This is awesome. It is good to be with my colleague, Bobby Rush. We are the yin and yang of Illinois energy issues.

[Laughter.]

Representative SHIMKUS. So we were able to do this under the EPAct 2005 legislation. I was fortunate to be on the conference committee, and it is great to be here. I want to really credit obviously the leadership in the Senate, of course, also Fred Upton and Frank Pallone for the work they have done on the House side and now it is time to get to work.

I am just going to raise one small provision that I hope people will remember as we go through the major issues, because a lot of the major issues have already been addressed. The provision deals with the DOE's regional standards program for air conditioners, heat pumps, and residential furnaces. Back in 2007, Congress adopted regional standards but the implementation of that effective date could prove very problematic.

Unchanged, the effective date will be based on when the product is installed rather than when it is manufactured. So picture this: You have got heating and air-conditioning guys buying equipment and they are in some warehouse but they cannot implement it and put it in because of the standards. This is just a simple fix to say we ought to set the standard when the equipment is manufactured, not when it is going to be in place.

So I hope that the conference committee will help with this. It is very important, especially for the small businesses out there in our country. They want to do the right thing, but this current ruling is very problematic.

With that, I thank you and I yield back my time.

The CHAIRMAN. Thank you, Representative Shimkus.

Representative Lois Capps from California on the House Energy and Commerce Committee, welcome.

STATEMENT OF HON. LOIS CAPPS,
U.S. CONGRESSWOMAN FROM CALIFORNIA

Representative CAPPS. Thank you, Chairwoman Murkowski, and to all of our conferees.

As has been stated, this energy conference marks a significant opportunity. We have a chance to determine the course of our nation's energy policy and set up our nation for success. It is clear that disagreements remain about how to get there, but there is no question that energy is fundamentally important to our well-being.

However, we are at the nexus of transitioning from our outdated reliance on fossil fuels to embracing clean, renewable, and sustainable energy sources. Addressing this will be our major challenge. This bill must ensure the availability of secure, reliable energy, while at the same time recognizing the need to improve energy in building efficiencies and invest in the energy infrastructure and

technologies that will carry us into the future. Furthermore, our final product must provide meaningful benefits to everyone, especially consumers, without continuing to threaten our environment, human health, and the climate.

Globally, we made a significant step toward addressing the threat of climate change last December in Paris, and President Obama has initiated efforts to reduce greenhouse gas emissions and to address our nation's contributions to climate change. But we must ensure that our work here does not compromise the tangible progress that has already been made. We must also ensure that this bill does what it is meant to do and remove harmful proposals that put profits and politics over people and progress.

I cannot support any bill that is simply a vehicle for continuing policies that attack the health of our environment and our families. If we are going to reach a successful conclusion, we must negotiate a consensus-based, forward-looking resolution that provides concrete investments in our nation's future which we can all support and the President can sign, and I am committed to working with you all to do just that.

Thank you, and I yield back.

The CHAIRMAN. Thank you, Representative Capps.

Representative Bob Latta from Ohio on the House Energy and Commerce Committee.

STATEMENT OF HON. ROBERT E. LATTA,
U.S. CONGRESSMAN FROM OHIO

Representative LATTA. Well, thank you, Madam Chair.

Our energy policy in the United States is decades old and does not reflect the abundant energy supply that we are so fortunate to have. Updating this policy is vital to continuing to grow the economy of Ohio and all the United States while also furthering the goal of American energy security.

I would like to highlight the provisions that I have worked on over the past months and years that are being considered during these negotiations. First, there is a provision that Mr. Welch and I have been working on for several years. This language addresses a recent threat that has emerged regarding warranties in the ENERGY STAR program. A gap in federal law allows private litigation in addition to the EPA administrative enforcement mechanism against the manufacturer when a product falls out of compliance with the program. Existing EPA oversight process has proven successful, and our language simply codifies this and provides consumers and manufacturers more certainty to participate.

I am also pleased that we are negotiating language that Mr. McNerney of California and I have been working on to authorize the WaterSense program at EPA in statute, empowering Congress to have oversight of the program. This voluntary program has been in operation since 2006 and allows for a label that enables consumers to have more information about products which save water for their homes, yards, and businesses.

Additionally, as the former Co-Chair of the Congressional Sportsmen's Caucus, I would also like to focus on two sportsmen's provisions. The first creates an official advisory board to serve as counsel to the U.S. Departments of Interior and Agriculture on policies

that benefit recreational hunting and wildlife resources, the Wildlife and Hunting Heritage Conservation Council. Ensuring that sportsmen and sportswomen have an advisory capacity role across future Administrations is vital for all who enjoy the great outdoors.

There is also language regarding commercial filming activities on federal land, which allows us to help to rectify disparity between smaller crews and their larger well-funded counterparts while filming on public lands. The financial burden is often too great and unfairly limits their ability to access our national parks and waterways, and I am confident that these two sections will benefit current and future generations of conservationists.

With that, I thank you and yield back.

The CHAIRMAN. Thank you.

Next we turn to the Congresswoman from California, Representative Matsui, also on the House Energy and Commerce Committee.

STATEMENT OF HON. DORIS O. MATSUI,
U.S. CONGRESSWOMAN FROM CALIFORNIA

Representative MATSUI. Thank you so much. Thank you, Madam Chair, and thanks to both you and Ranking Member Cantwell for convening us today.

I oppose the House energy bill because it does little to improve our energy policies in a comprehensive, forward-thinking way; however, I am very hopeful that under your leadership we might work together in this conference in a very constructive way.

A 21st century energy bill should reduce our carbon footprint, invest in the resiliency of American energy infrastructure, and provide a direct benefit to consumers. On the whole, the House bill does not address those priorities in a comprehensive way.

Climate change is one of the most important issues of our time, and we need a reform package that meets the challenge. If we do not take action, our grandchildren will pay the price. Future generations deserve better.

I am also concerned that this energy package is being used to advance irresponsible, short-term policies in response to California's drought. As I have joined my fellow Californians in saying repeatedly, this would harm northern California's economy, put certain community drinking water at risk, and damage the largest estuary on the West Coast. These provisions favor one region or state at the expense of another, and should they be adopted in the conference report, I will oppose it.

There are some policies I am pleased to see were included in the bill we are considering today. Hydropower is a clean energy source that supplies as much as one-fifth of the electricity in my district. I encourage conference members to address hydro relicensing challenges while maintaining endangered species protections.

The Senate bill includes positive provisions on energy efficiency and also reauthorizes the Diesel Emissions Reduction Act (DERA), mirroring my bipartisan bill in the House. Since it began in 2005, DERA has been one of the most cost-effective federal environmental programs. I believe it is possible to craft a comprehensive energy package that benefits both our economy and our climate.

I do look forward to working with the conferees as you work toward that goal, and I yield back.

The CHAIRMAN. Thank you, Representative Matsui.

We now turn to the Representative from Washington State, Representative Cathy McMorris Rodgers.

STATEMENT OF HON. CATHY MCMORRIS RODGERS, U.S. CONGRESSWOMAN FROM WASHINGTON

Representative MCMORRIS RODGERS. Thank you, Madam Chairman, and all gathered here today for your work and leadership on this important energy package which modernizes and strengthens our energy security and abundance.

Eastern Washington is blessed with tremendous energy resources, including two of the greatest clean energy resources, hydropower and carbon-neutral biomass. Hydropower resources provide more than six percent of our nation's energy, electricity, and more than 50 percent of our renewable electricity. I was proud to champion a bipartisan amendment to H.R. 8 promoting hydropower through a new expedited licensing process. The amendment was a result of extensive consultations with stakeholders and members.

Moreover, we could double hydropower and create thousands of new jobs without building a single new dam simply by updating the technology and our existing infrastructure. But FERC does not incentivize investing in dams. Capital-intensive projects like updating turbines or improving fish ladders are only included in the lifespan of a dam's license during the relicensing window. Included in the legislation we are considering is an early action provision requiring FERC to include all protection, mitigation, and enhancement measures during the relicensing process.

As I was home in Eastern Washington, I witnessed the Yale Road and Wesley fires devastate our communities. The energy package also includes the bipartisan Resilient Federal Forest Act, which includes important Forest Service tools to ensure healthy forests through smarter forest management and fixes fire-borrowing. I want to make clear that Members on both sides of the aisle with large federal forests supported this legislation. This is the second time that the House has passed this important bill. Forest fires are a natural disaster, but with the right tools the Forest Service can mitigate their impact. It is time to act.

I am proud to have led the hydropower and forestry reforms included in the House version of this bill. I believe that they must remain strong components in the final version, and I encourage my colleagues to support their inclusion. Thank you.

The CHAIRMAN. Thank you.

Next, we turn to Representative Kathy Castor from Florida on the House Energy and Commerce Committee.

STATEMENT OF HON. KATHY CASTOR, U.S. CONGRESSWOMAN FROM FLORIDA

Representative CASTOR. Well, thank you, Chairmen Murkowski and Upton and Ranking Members Cantwell and Pallone. Thank you for convening this important conference committee to focus on the energy solutions for America. This is an important opportunity to craft a bipartisan package of energy policies that meets the challenges of the 21st century, that boost America's clean energy economy, and tackles the challenges of the changing climate.

There is so much innovation going on all across America when it comes to energy and electricity generation, and the future is about energy efficiency and geothermal and renewables like solar, wind power, and biomass. In fact, the U.S. Energy Information Administration says renewable energy is the world's fastest-growing energy source. That means innovative, cost-saving energy investments for our neighbors and businesses back home. If you want to take the temperature on how our neighbors feel, look at what happened in Florida at the end of August in our primary election. We had a constitutional amendment on the ballot relating to solar power, and it passed with 73 percent support.

That means we are going to have to create jobs through the clean energy economy and at the same time reduce carbon pollution. We have got to focus on modernizing our energy infrastructure. Unfortunately, in the House bill, we have got to fix the provisions in the House bill that eliminate environmental reviews and that experts say will actually accelerate climate change. There are some very positive provisions in the Senate bill relating to energy efficiency, and I hope they will survive.

I hope that the conference committee will focus on how we modernize our energy and electricity infrastructure. Our energy infrastructure is outdated and it needs to be more resilient and geared toward the energy demands of the 21st century.

I look forward to working with all of you. Thank you, and I yield back my time.

The CHAIRMAN. Thank you.

Next, turning to the Congressman from Texas, Representative Olson, on the House Energy and Commerce Committee.

STATEMENT OF HON. PETE OLSON,
U.S. CONGRESSMAN FROM TEXAS

Representative OLSON. I thank the Chair.

Good morning. My name is Pete Olson. This is my fourth term in Congress, and I am excited because this is my first conference committee.

Home is the suburbs of Houston, Texas, the energy capital of the entire world. We also have the world's number one exporting port, the Port of Houston. Back home, people want us to pass a good product President Obama can sign into law before this Congress ends in January. But none of our hard work matters if we cannot get resources to market. That means we have to get permitting right.

The House has good language on pipelines. The Senate has good language on power lines. Let us find common ground. With our nation having the largest reserves in the whole world, we have begun exporting our crude oil and liquefied natural gas. We have to streamline the process for natural gas exports. We also need to promote closer coordination with our neighbors, Mexico and Canada, which create a de facto North American Petroleum Exporting Countries—a NAPEC—to counter OPEC.

Work in the energy sector now is high-tech. We need to ensure that a STEM-educated workforce is ready to seize the moment we have right now. Energy efficiency should be tackled. Government facilities are a natural starting point, but we have to make sure

that local differences are taken into account, as well as cost for families.

I want to thank the staff and leadership for working hard in August to get us to this point. In closing, I ask this committee to adopt a five-word challenge from home: Failure is not an option.

I yield back.

The CHAIRMAN. Thank you, Congressman.

Now we turn to Representative Sarbanes from Maryland on the House Energy and Commerce Committee.

STATEMENT OF HON. JOHN P. SARBANES,
U.S. CONGRESSMAN FROM MARYLAND

Representative SARBANES. Thank you, Madam Chair.

The criteria I will use to evaluate a conference report are pretty straightforward. First, does the measure advance our efforts to address climate change, and second, does it enhance our investments in energy infrastructure and, in particular, our electric grid.

Unfortunately, the House-passed bill, which I oppose, misses the mark on both of those questions. The Senate-passed bill, I would say, takes a few steps forward in some places and a step or two back in others. As a result, going into these meetings I am keeping an open mind but I have to say I am skeptical that we will be able to produce a final bill that can earn my support and more importantly one that can be signed into law by the President.

The Obama Administration, by the way, has done their fair share. In fact, they have done almost everything that is possible to address climate change while working with a hostile Congress. They have done this, by the way, not out of some righteous ideological mission but because the public is saying to government do something. Do something. They are demanding action. Rather than criticizing the President for taking action on climate change, Congress needs to work with him. We need to stop ignoring this urgent problem of climate change and start working on legislation that would begin our transition to cleaner sources of energy.

We also need to invest in our nation's energy infrastructure and in particular our electrical grid to bring it into the 21st century. To not provide the Department of Energy with resources to invest in smart grid research and development would be akin to not funding the National Institutes of Health to conduct medical cures research. The electrical grid is an indispensable element of modern society and is critical to our national security, economy, and the general well-being of Americans.

I hope we can work together to address these urgent and complex problems and to find practical, sustainable solutions. I yield back.

The CHAIRMAN. Thank you.

We now turn to Representative McKinley from West Virginia on the House Energy and Commerce Committee.

STATEMENT OF HON. DAVID B. MCKINLEY,
U.S. CONGRESSMAN FROM WEST VIRGINIA

Representative MCKINLEY. Thank you, Chairman Murkowski and Chairman Upton, for holding this meeting today and more importantly, for your hard work and leadership in defying the odds

and bringing Congress one step closer to passing a long-overdue energy bill. It is an honor to have been named to this conference committee.

For too long we have taken energy for granted in this country. Energy was key to making this country great. And to ensure that we continue to have low-cost, reliable, and efficient energy, we should move a bill forward that would, one, modernize our energy infrastructure; two, ensure our nation's grid reliability and security; three, advance energy efficiency technologies; and four, improve the permitting process for pipelines in LNG exports.

There are also some provisions in the bill that we have included that will encourage public-private investment in our energy sector such as the Appalachian hub, methane storage, both the House and Senate version; carbon capture; energy-exporting facilities; energy efficiency that you have heard about from a lot of the other Members here; hydroelectric power permitting and licensing; increased training for displaced coal workers; enhanced R&D programming, and gas turbine efficiencies. These can happen through public-private partnerships.

I am confident that any bill reported out of this conference containing these bipartisan provisions will go a long way to advancing our nation's energy future and strengthening America's greatness.

Thank you, and I yield back my time.

The CHAIRMAN. Thank you.

Let us now go to Representative Welch from Vermont of the House Energy and Commerce Committee. Hopefully, your microphone is a little more clear here.

STATEMENT OF HON. PETER WELCH,
U.S. CONGRESSMAN FROM VERMONT

Representative WELCH. I hope so, too. Thank you very much. Thank you. Thanks, Senator Cantwell. I thank our wonderful Chair, Fred Upton, and Ranking Member, Frank Pallone.

My focus on these issues has been on energy efficiency, and the reason I have done that is because we have been mired in a very contentious debate about climate change. It gets us into disputes about which is the right fuel. But where we have got common ground, Republicans and Democrats, is on energy efficiency.

And the wisdom of having a very aggressive approach on energy efficiency is really apparent. Number one, you save money. Whatever the fuel is, if it is coal, if it is oil, even if it is wind or solar, if you are using less, you are saving more. And there is no reason we cannot have policies that get that job done. It is going to help us in coal country, it is going to help us in wind country, it is going to help us in oil country.

The second thing is energy efficiency, in order to be implemented, requires local jobs, trades people to come in and insulate homes, plumbers, pipefitters. This is real work that is going to be done by Americans who need to do work.

Finally, there is an incidental benefit. It reduces carbon emissions. In fact, in the Waxman-Markey bill that passed in the House and did not quite make it in the Senate, 40 percent of the carbon emission goal was going to be achieved through energy efficiency.

We have had in the House side tremendous work by Republicans and Democrats. My colleague right next to me, David McKinley, has been a leader, Adam Kinzinger, Bob Latta, and a lot of support from Fred Upton. So this is the area where I think we have to find—we have to just take the common ground that is there.

A number of the provisions in the Senate side are tremendous. The Shaheen-Portman legislation that has been mirrored by provisions that David McKinley and I put in the House are great. I think they should be part of this final package.

I look forward to working with my colleagues and making certain that we come out with a product that is going to make things better. I yield back.

The CHAIRMAN. Thank you.

We will turn now to Representative Luján from New Mexico on the House Energy and Commerce Committee.

STATEMENT OF HON. BEN RAY LUJÁN,
U.S. CONGRESSMAN FROM NEW MEXICO

Representative LUJÁN. Thank you very much, Madam Chair.

Our work here today on an energy bill is one of great importance for our nation and particularly for an energy state like New Mexico. We need an energy policy that creates jobs, powers our nation, and addresses the threat of climate change. I am hopeful that we can work together in a bipartisan fashion to craft a conference report that is good for our economy and good for our country.

There are a number of priorities that are important to my home State of New Mexico and that I encourage this committee to include in the report. As a growing producer of solar and wind, New Mexico is a leader in a clean energy economy. We are blessed with majestic public lands that are a source of pride, enjoyed by hunters, fishermen, hikers, and more. But they also represent an opportunity to produce clean energy where it makes sense. These public lands can be used to develop renewable energy resources, new technologies, create jobs.

It is also important that we protect these lands that are part of our culture, our heritage, and our livelihood. For more than 50 years, the Land and Water Conservation Fund has helped strengthen New Mexico's economy and created jobs in our community by supporting public access to outdoor recreation that attracts visitors from far and wide. Permanently reauthorizing the fund, as the Senate bill calls for, will protect the great outdoors and support a sector that contributes $3.8 billion to my state's economy.

We also have an opportunity to strengthen our national security through the Laboratory Directed Research and Development program at our national labs. I urge my colleagues to support Senate language that removes redundant overhead charges on this critical funding, a program that NNSA laboratories rely on to grow, sustain, and retool the staff and capabilities they need to meet current and future mission needs.

Madam Chair, these are just a few important priorities for my home State of New Mexico and for our country that will grow our economy, create good jobs, strengthen our national security, and secure our energy future.

With that, I yield back the balance of my time.

The CHAIRMAN. Thank you.

Representative Kinzinger from Illinois on the House Energy and Commerce Committee.

STATEMENT OF HON. ADAM KINZINGER,
U.S. CONGRESSMAN FROM ILLINOIS

Representative KINZINGER. Well, thank you, Madam Chair.

The world has changed significantly since the last time Congress enacted major energy legislation, but what has not changed is the importance of reliable, affordable, and domestically produced energy to power our economy and to provide for our national security.

Throughout the past year, the House has worked in good faith to craft a legislative package that will help all sectors of our energy industry from mainstream energy sources to energy-saving efficiency measures. Ultimately, the purpose of these measures is to move our country forward in order to establish an effective and efficient energy policy that starts at the federal level.

While I understand we still have much to debate and discuss, I was especially pleased to see a number of important energy efficiency provisions that we have worked on included in the House-passed provision of the Energy Policy Modernization Act. One of those provisions was a variation of the Thermal Insulation Efficiency Improvement Act, which would require a study of the impact of increased insulation use could have in all federal facilities.

Another provision, the Energy Savings through Public-Private Partnership Act, would allow federal agencies to partner with private companies to develop and implement energy efficiency systems that create guaranteed energy-savings. These are bipartisan measures that will not only allow the Federal Government, the largest consumer of energy in the nation, to make better use of our energy resources, but it will save money for the American taxpayer.

We all recognize that we are blessed to live in a nation with an abundance of natural energy resources and, more importantly, with the American ingenuity needed to develop and grow new energy technologies and industries. I look forward to working with you all on a conference package that will make the best use of all of our resources.

With that, I yield back.

The CHAIRMAN. Thank you.

Next, we will turn to Representative Tonko from New York on the House Energy and Commerce Committee.

STATEMENT OF HON. PAUL TONKO,
U.S. CONGRESSMAN FROM NEW YORK

Representative TONKO. Thank you, Madam Chair. And I thank all Chairs and Ranking Members for their leadership thus far.

Let me start by saying I am ready to work together in hopes of achieving an agreement, but in order to do that, we must move past ideological provisions that have no chance of becoming law.

We are living in an exciting and innovative time for energy policy, but sadly, our infrastructure, and in particular the grid, is from a bygone era. It must be modernized, and I appreciate the effort and ideas put forward by my colleagues.

But in the spirit of being forthright, I find it very difficult to support an agreement that does not make meaningful investments in our energy infrastructure and workforce. I believe the Senate bill has some good language on energy efficiency and building codes which can serve as a foundation for compromise.

I would like to single out the reauthorizations of the Weatherization Assistance Program and State Energy Program, two programs that by even conservative estimates generate tremendous economic, public health, and energy efficiency value. The Senate's bill actually reduces the weatherization program from its previous authorization to be more in line with recent appropriations levels. I think that makes sense and is exactly the type of work that authorizers should be doing.

To highlight the good provisions from the House bill, Representative McKinley and I have worked on gas turbine R&D language focused on improving efficiency, which already passed the House as part of the COMPETES Act and has now been incorporated into the House version of S. 2012. These are just a few of the areas where there is bipartisan——

[Audio malfunction in hearing room.]

Representative PALLONE.—deserve this conference's attention. I believe there is a potentially meaningful bipartisan and bicameral package that we can put together so that it is placed on the President's desk. But at the end of the day it must include the investments necessary to protect consumers, promote clean energy and efficiency, improve our grid, and put us on a path to reducing greenhouse gas emissions.

With that, Madam Chair, I yield back the balance of my time.

The CHAIRMAN. Thank you, Congressman.

We now turn to Representative Griffith from Virginia on the House Energy and Commerce Committee.

STATEMENT OF HON. H. MORGAN GRIFFITH, U.S. CONGRESSMAN FROM VIRGINIA

Representative GRIFFITH. Thank you, Madam Chair. I hope my comments today help in jumpstarting the conversation and negotiations on this energy bill, and I am hopeful that we can reach an agreement.

But I am always going to fight to protect and create jobs. That will be driving factor as I consider provisions in this bill. Front and center for many counties in my district it is coal and how we can continue to mine it and burning cleanly. Supporting efforts that encourage reliable and inexpensive power for our communities, including baseload coal-fired power, is critical to prevent additional strains on our nation's infrastructure.

I often talk about the rise or the increase in the number of proposed natural gas pipelines brought about by the decline in the coal-fired power plants in our electric fleet. There are many folks who want to eliminate all coal but also think that you should not have any pipelines. Others just want FERC to ensure that pipelines follow rational pathways and are actually needed.

Finally, the three sections which I have a direct personal interest in which I hope the conferees will support are a law that will clarify the transportation of firearms; second, ensuring that FERC in

any of its actions along non-federal hydropower projects recognizes private landownership and property rights. While many hydroelectric projects bought the fee simple interest in the land could be flooded and in the areas adjacent to the lakes that were formed. Some did not, and FERC may be imposing rules on landowners which I believe constitute a taking. And third, two provisions that will extend construction deadlines for hydroelectric power projects in my district in Allegheny and Dickinson Counties. I know a lot of work has been done already to find common ground and to work through some of the stickier provisions. I hope that this work will continue and I look forward to assisting in any way that I can.

Thank you again, Madam Chairman, for your work here, and I yield back the balance of my time.

The CHAIRMAN. Thank you, Congressman.

We next turn to Representative Loebsack on the House Energy and Commerce Committee.

STATEMENT OF HON. DAVID LOEBSACK,
U.S. CONGRESSMAN FROM IOWA

Representative LOEBSACK. Thank you, Madam Chair, and good morning to my fellow conferees and all who are here today.

First, I state that I am proud to be from Iowa, a state that derives over 30 percent of its electricity from wind, and we do have a growing solar industry as well. We sit here today, however, with an opportunity to offer solutions to lower the cost of energy while harnessing the need for an overhaul of our energy infrastructure.

While we are just beginning this undertaking, I am open-minded but I am skeptical as well. I am skeptical, unfortunately, that we can leave our party affiliation at the door and provide our fellow Americans with the energy they deserve, but I am still hopeful.

A final product must deliver direct benefit to energy consumers, not just producers. We must ensure that claims of energy performance are reliable and incentives to increase efficiency in the commercial and residential sectors continue to deliver energy savings to consumers and businesses alike.

Today's homebuyers, for example, want more efficient homes. America's homes and commercial buildings consume 71 percent of America's electricity, 54 percent of its natural gas, and 42 percent of all energy. According to a 2013 National Association of Homebuilders survey of home buyers, 9 out of 10 Americans will pay two to three percent more for a new home with permanent energy efficiency features. Homebuyers understand that energy efficiency built into houses reduces monthly utility bills, improves comfort, and delivers long-lasting savings.

Energy-efficient homes are better built, they are more comfortable, they are quieter, and they have a higher resale value. Building energy codes are the most effective tool for reducing energy consumption in the building sector and incorporating new technologies and practices that are proven and readily available.

Since coming to Congress almost a decade ago, I have fought for improving our energy efficiency, and I look forward to continuing this process with my fellow conferees, and I yield back the balance of my time.

The CHAIRMAN. Thank you, sir.

We next turn to Representative Johnson from Ohio on the House Energy and Commerce Committee.

STATEMENT OF HON. BILL JOHNSON,
U.S. CONGRESSMAN FROM OHIO

Representative JOHNSON. Well, thank you, Madam Chair, for the opportunity to speak today. I am truly honored to be a member of this conference committee.

This meeting of the Senate and House conferees marks a very important milestone in the ongoing discussions of the Energy Policy Modernization Act of 2016. Although I support numerous provisions throughout both the House and Senate energy bills, I would like to use this time to highlight just a few of those provisions.

First and foremost, both the House and Senate have approved language that requires the Department of Energy to make a timely decision on pending liquefied natural gas (LNG) export applications which would occur only after the pending applications have received their necessary environmental and construction permits.

I support both provisions as currently written, which I believe gives DOE a sufficient and an appropriate amount of time to make any final decisions on pending applications. These provisions help add certainty to the LNG permitting process, help strengthen diplomatic ties with our allies abroad, and it is important that we are considering any and all opportunities to have these provisions signed into law.

FERC process coordination regarding regulatory approval of natural gas projects, as contained in both the House and Senate bills, is also important. These provisions will help ensure that timely decisions are made by clarifying that a final decision on federal pipeline authorization is due no later than 90 days after FERC issues its final environmental document, as well as highlighting FERC is the lead agency to approve these pipeline projects.

The provision in H.R. 8 granting the Department of the Interior the ability to approve natural gas pipeline rights-of-way across most federal lands should also be considered for final inclusion.

With that, Madam Chairman, I look forward to continuing working with my colleagues on this important bill, and I yield back the remainder of my time.

The CHAIRMAN. Thank you, sir.

We now turn to Representative Huffman from California on the House Resources Committee.

STATEMENT OF HON. JARED HUFFMAN,
U.S. CONGRESSMAN FROM CALIFORNIA

Representative HUFFMAN. Thank you, Madam Chair. This is my first conference committee, and I am honored to be a part of it. I am also hopeful that we will be able to work together on a real bipartisan package that can actually cross the finish line and be signed into law.

The Senate's bill, S. 2012, meets that standard. It received wide bipartisan support. It reflects our Senate colleagues' willingness to work together. And I am especially impressed that the Senate bill would reauthorize one of our nation's most effective conservation tools, the Land and Water Conservation Fund.

There are also some provisions in the House Natural Resources package that could, with a little work, join the Senate's list of bipartisan success stories. But make no mistake, the House package includes many provisions that are highly controversial and will never be signed into law. For example, if we really want to work together on a bipartisan conference report, the House language on California water is a nonstarter. This is essentially the same old language we have seen for years, the same overreaching, anti-environment, anti-salmon proposals that the nonpartisan Pacific Fisheries Management Council has said would lead to irreparable harm for salmon runs that are critical to tribes, as well as the West Coast's commercial and recreational fishing industries. Now, not only is this very bad policy, the California water title would be bad law. It would invite countless new lawsuits. It would preempt the California Constitution and end a century of federal deference to state water law. That is why previous versions of this proposal have not only drawn veto threats, they have been opposed by the State of California and even by the Western Governors' Association.

Now, there is good news. If we want to solve water problems together, there is an alternative to simply rehashing these old, dead-end proposals. There are numerous noncontroversial water solutions that would actually deal with the immediate challenges of drought and build more resilient water systems for the long haul.

Senator Cantwell has authored one compromise bill for water management in her state, and if we follow that same collaborative approach and bring some good faith to the table, there is a lot we could do together on California water from reservoir management to expanding clean water infrastructure, and even increasing surface storage in smart, cost-effective ways.

I look forward to working with my House and Senate colleagues on ideas like these that could actually solve problems.

I thank you and yield back.

The CHAIRMAN. Thank you, Congressman.

We next turn to Representative Flores from Texas on the House Energy and Commerce Committee.

STATEMENT OF HON. BILL FLORES,
U.S. CONGRESSMAN FROM TEXAS

Representative FLORES. Thank you, Madam Chair.

The American energy revolution has fundamentally altered the global energy picture. This revolution, thanks to innovations related to hydraulic fracturing and horizontal drilling, has made our country the top oil and gas producer in the world.

The 1970s era of scarcity is over. We owe the American consumers a modernized energy policy that recognizes our abundant energy resources as part of a holistic, all-of-the-above energy solution.

Last year, Congress took a big step forward and repealed the ban on crude oil exports. The recent lifting of this ban on exports has helped further integrate energy markets with our friends and allies around the world, enhances our economic and national security, and provides improved job opportunities for hard-working American families.

This energy conference committee had the opportunity to build on that progress. For instance, streamlining the approval process for liquefied natural gas exports is an important next step. This gives our allies access to affordable and reliable energy supplies and lessens their dependence on hostile players like Russia and Middle Eastern suppliers.

Additionally, our domestic energy infrastructure desperately needs to be updated to deliver abundant energy resources to our consumers.

Finally, the last comprehensive energy bill greatly expanded the ethanol mandate under the renewable fuel standard. Expanded RFS has imposed cost on consumers by mandating a product they do not want, and the RFS fails to deliver any measurable benefit to our climate or to our energy security. In fact, Mr. Welch and I found growing bipartisan support to give consumers relief from this harmful energy mandate and to truly promote the biofuels that work in the future.

I mention the RFS because, as we work through this energy conference, we should remember that the most sustainable energy policies also incorporate free market principles. Simply creating new government programs, no matter how well-intended, does not give consumers the best outcome. We also need to include energy efficiency as one of the solutions to this holistic energy solution.

I look forward to working with each of the members of this conference committee to develop a vibrant 21st-century energy strategy.

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

The CHAIRMAN. Thank you, sir.

We next turn to Representative Mullin from Oklahoma.

STATEMENT OF HON. MARKWAYNE MULLIN,
U.S. CONGRESSMAN FROM OKLAHOMA

Representative MULLIN. Thank you, and good morning. I, first of all, want to begin by thanking Speaker Ryan and Chairman Upton for naming me as a conferee for this important legislation. I look forward to representing the House Energy and Commerce Committee and Oklahoma priorities in this agreement, and I would like to take this time to highlight a few priorities that I believe are essential to the future of our nation's energy policy.

Oklahoma is an energy-rich state with a diverse portfolio that includes natural gas, oil, hydropower, and wind. This bill has several important provisions for all these, but I want to highlight the hydropower provision that the House included in H.R. 8 and this bill.

The hydropower licensing process is long and very expensive. This process needs to be modernized in order to strengthen the accountability of all participants and to promote greater scheduling discipline in the process.

I would also like to highlight my efforts to include report language that would encourage the GSA to increase availability of all alternative fuel vehicles for federal agencies to purchase and lease, including natural gas vehicles. The Federal Government should not be picking winners and losers, and this report language would help make all types of alternative fuel vehicles available to be purchased.

There are many other important provisions that I support that we can also discuss at another time, some of which include LNG exports, FERC processing, and improving of natural gas projects, the repeal of section 433, also the 2007 energy law. I am eager to discuss and debate these issues with my fellow conferees, and I look forward to moving ahead in a bipartisan manner to pass this bill that will make it possible for America's energy needs to be met now and into the future.

Thank you, and I yield back.

The CHAIRMAN. Thank you, sir.

We now go to my friend and colleague from Alaska, the Congressman for all Alaska, Representative Don Young.

STATEMENT OF HON. DON YOUNG,
U.S. CONGRESSMAN FROM ALASKA

Representative YOUNG. Thank you. We have one mic at this table. That is a good example.

Madam Chair, thank you for holding this conference, and I have to remind my colleague, conferences are about give-and-take, and there is a lot of taking and not much giving with certain people in this room. And I have to remind people of that. I have been around here a little while.

My interests in there of course are the Alaska hunting regs are illegal, and my native energy bill with Senator Barrasso, we hope we would get that done. Alaska hydro, we heard a lot about hydro. It is important that we do this quicker and get the renewable energy that really works for a long period of time. Of course we have the polar bear trophies. Many wonder what that is doing. This is in the House bill. The Administration supports it. Everybody supports that provision, and why it was not in the Senate bill, I do not know. We will find that out in conference. That is one of the things we can work on.

Madam Chair, I suggest respectfully also we have heard about energy efficiency. I want to warn everybody about having the government decide what efficiency is and what will work in certain areas. We have a very efficient holding industry in the State of Alaska for houses, probably the highest efficiency houses in the nation. We do not need the Federal Government telling us how to do it. I do not want to see that overreach, and at conference, I think it is wrong for their nation. I believe it is wrong for the building industry. I believe it is wrong for the people. Selection should be individual choice.

Madam Chairman, there is a lot of good in the Senate bill. There is a lot of good in the House bill. Let us see if we cannot get the good and eliminate the bad on both sides.

With that, we will have a conference we will be proud of. I want to thank you for your hard work.

With that, Madam Chairman, I yield back the balance of my time.

The CHAIRMAN. Thank you, Congressman.

We next go to the Congresswoman from Wyoming, Representative Lummis.

**STATEMENT OF HON. CYNTHIA M. LUMMIS,
U.S. CONGRESSWOMAN FROM WYOMING**

Representative LUMMIS. Thank you, Madam Chairman.

You know, this conference committee represents a positive breakthrough in this Congress, and I am honored to be part of it.

As a proud daughter of Wyoming and a Westerner, I am particularly hopeful to we can come together and address and improve stewardship of our public lands and resources. So I am going to focus on a couple of aspects of this conference committee that are related to public lands.

The Land and Water Conservation Fund must be reformed, not just reauthorized. Mission drift over the years has changed the intent and focus of the Land and Water Conservation Fund, so let us not just reauthorize a drifted program; let us fix it.

Also, I want to say a few things about the grey wolf provision in the House bill. Just this year in April in the Oversight and Government Reform Committee, we invited Fish and Wildlife Service Director Dan Ashe to discuss issues facing the Endangered Species Act. When he was talking about the grey wolf and the litigation involving it, he says it is frustrating, and in the case of the grey wolf in Wyoming and the Western Great Lakes, it is interfering with the work of biologists in his agency to have this litigation.

Also in April of this year over in the House Natural Resources Committee, Director Ashe said the grey wolf was recovered. And now quoting him, he said, "The wolf is probably one of the most frustrating issues during my tenure. Wolves are recovered. We are that truck in the mud up to the running boards. We cannot go forward and we cannot go backward."

So when federal policy fails, it is the responsibility of Congress to govern. It is clear Congress must act to ensure science-driven grey wolf management in Wyoming and in the Great Lakes. So this is one of the tough issues for this conference committee, but let us remember how we got this far. This is a unique opportunity for both sides of the aisle to work together. I am confident that with a constructive dialogue and good-faith negotiations we can reach a positive outcome for the West and for our nation.

Thanks again, Madam Chairman. I yield back.

The CHAIRMAN. Thank you, Congresswoman.

Next on our list is Representative Denham from California. He does not appear to be here, so we will move to Representative Westerman from Arizona on the House Resources Committee.

**STATEMENT OF HON. BRUCE WESTERMAN,
U.S. CONGRESSMAN FROM ARKANSAS**

Representative WESTERMAN. Thank you, Madam Chairman. I too am honored to participate today at this first conference meeting on the Energy Policy Modernization Act.

One of the important bipartisan House Natural Resources Committee bills included in the energy package is H.R. 2647, the Resilient Federal Forest Act. Current federal forest management policy is broken. Simply put, we are loving our forest to death. H.R. 2647 gets us on the right course by utilizing sound science-based conservation tools that the Forest Service and BLM can implement immediately to make our forest healthy and resilient, which will

reduce the threat of wildfire, make our forests more resistant to insect and disease infestation, protect watersheds, create better wildlife habitat, and store more carbon in the forest rather than sending 100 million tons per year up in smoke.

In terms of renewable energy, forest fires on federal lands last year consumed and wasted the equivalent energy of over 25 million gallons of gasoline. H.R. 2647 incentivizes and rewards collaboration by allowing for expedited environmental reviews for collaborative projects, and it protects collaborative projects from unnecessary and frivolous lawsuits.

Additionally, the Resilient Federal Forest Act encourages quick reforestation after a fire by requiring the 75 percent of the area impacted be reforested within five years. Currently, the Forest Service reforests less than three percent of areas burned by wildfires.

Finally, H.R. 2647 solves the problem of fire-borrowing in a fiscally prudent matter. It treats massive wildfires as they should be treated under the federal budget, as natural disasters. In 2015, fire suppression accounted for 52 percent of the Forest Service's budget. H.R. 2647 will free up management dollars so that land management agencies can do what they need to to reduce fuel loads and promote resilient forests, which lead to healthy landscapes.

Once again, I would like to thank the leaders of this conference committee for calling today's meeting, and I hope that this leads to a strong bipartisan agreement that promotes healthy, resilient federal forests. And I yield back.

The CHAIRMAN. Thank you, sir.

We now turn to Congressman Weber from Texas on the House Science Committee.

STATEMENT OF HON. RANDY K. WEBER, SR., U.S. CONGRESSMAN FROM TEXAS

Representative WEBER. Thank you, Madam Chair.

I will speak briefly in strong support of division D of the House amendment to S. 2012, which includes Title XXXIII of the House-passed National Defense Authorization Act, known as NDAA.

For the first time since the Energy Policy Act of 2005, Congress has the opportunity to authorize critical research and development programs at the Department of Energy (DOE). Division D of the House amendment to S. 2012 lays out priorities for energy research and development, authorizing basic research in the Office of Science and applied research programs in electricity, renewable energy, and energy efficiency, fossil, and nuclear energy technology. Division D prioritizes the basic and fundamental research in our national labs that provides the best opportunity for innovation and economic growth.

Division D also includes Title XXXIII of the NDAA, which provides updated statutory direction to the Department of Energy's nuclear researcher activities to ensure that fundamental research is prioritized.

Title XXXIII lays out a clear timeline and parameters for DOE to complete a research reactor. A research reactor is a crucial part of ensuring materials and nuclear fuels R&D can take place in the United States and not overseas.

This legislation also directs DOE to partner with the private sector to construct and operate reactor prototypes at DOE national labs. The Science Committee spent a long time developing this language with relevant stakeholders. This language passed twice in the House as a standalone bill and in the NDAA and once as an amendment to this bill in the Senate with overwhelming bipartisan support in both chambers.

It is vital that Title XXXIII move forward in both the NDAA and in S. 2012 in order to ensure this important research and development is signed into law. We cannot afford to miss the economic opportunity provided by next-generation nuclear technology. So I encourage my colleagues to support Division D of the House amendment to S. 2012, in particular, Title XXXIII of the House-passed NDAA.

Madam Chair, I yield back.

The CHAIRMAN. Thank you, sir.

Now we turn to Representative Thompson from Pennsylvania.

STATEMENT OF HON. GLENN THOMPSON,
U.S. CONGRESSMAN FROM PENNSYLVANIA

Representative THOMPSON. Thank you, Madam Chair.

As a member of the House Agriculture and Natural Resources Committee, I appreciate and am honored for the opportunity to serve in this conference and look forward to the final report.

In the past six years, I have had the privilege of serving as Chairman of the Subcommittee on Conservation and Forestry, and I am very proud of the good bipartisan work that was done during the 2014 farm bill conference.

As this conference process gets underway, I have several priorities I would like to briefly mention. First is a priority that we see the Resilient Federal Forest Act added to the package. This legislation will help the Forest Service better manage its assets by providing more tools and flexibility. A more effective forest management results in a healthy forest creating the world's largest carbon sinks. I was proud to support this legislation. I urge its inclusion in the final conference report.

Second, there are numerous provisions contained in H.R. 8 intending to bring commonsense reforms to domestic energy permitting and access. Recent production of shale formations such as the Marcellus in Pennsylvania have been a game-changer for consumers, manufacturing, and agriculture, as well as the state and local governments. When it comes to natural gas, the greatest single challenge we face is a need for the new infrastructure to get these vast supplies to market.

I strongly support reforms to help streamline lengthy permitting processes, providing timelines for pipeline permitting, and provisions allowing for the right-of-way for pipelines.

Finally, I also echo the comments made by many of my colleagues this morning with regards to the Land and Water Conservation Fund. While I am highly supportive of the voluntary conservation practices and the benefits generated for communities around the nation, I do have serious concerns about any permanent reauthorization. Like any other federal program, Congress should

routinely revisit, provide adequate oversight, and consider whether it is pertinent to amend or reauthorize such programs.

I thank my colleagues for being here today, and I look forward to beginning this important conference process. Thank you, Madam Chair.

The CHAIRMAN. Thank you, sir. And finally, we come to Representative Zeldin from New York on the House Transportation and Infrastructure Committee.

We are at the end of our list, and it appears that we have heard comments from 41 of the conferees, which is most impressive, I think. We have had good input from all, which is greatly appreciated. I too want to acknowledge the great work of all the staffs to this point in time. I think it is considerable to note that the Senate did not move to accept the opportunity to go to conference until just before we broke in mid-July and conferees were appointed at that time.

Throughout the past many weeks that Congress has been in recess, we have had our staffs working aggressively to move through 1,602 pages of legislative text. There are some 90 professional staff that have been working over these weeks moving through this legislative text. There have been over 30 negotiation sessions primarily during the summer recess. I know that there have been probably a dozen in this past week already, so the work has been considerable and it is greatly appreciated what has already taken place to this point in time.

And as we have heard repeated by colleagues on both the House side and the Senate side, we have much work to do. I know that we all look forward to rolling up our sleeves, committing to a good, fair process throughout, and I know that we will be wasting no time to advance the important priorities that we have heard reflected in Members' comments here today.

With that, I would just acknowledge that the work really begins in earnest, and the conference stands adjourned.

[Whereupon, at 11:21 a.m., the meeting was adjourned.]

APPENDIX MATERIAL SUBMITTED

Opening Statement before the House Senate Conference On S. 2012 The Energy Policy Modernization Act of 2016
The Honorable Joe Barton, Chairman Emeritus House Energy and Commerce Committee
September 8, 2016

I want to congratulate Senators Murkowski and Cantwell, as well as Chairman Upton and Ranking Member Pallone, and Chairman Bishop and Ranking Member Grijalva for getting to this point. As the chairman of the 2005 Energy Conference, I have a great appreciation for the work that goes into negotiating provisions and deciding what the final framework will be. Legislating is part art, part science and I know that many hours have been spent up to this point. I don't know where this process will end up, but I do appreciate being part of the process.

I believe that anytime we have the opportunity to legislate to reduce regulatory burdens and streamline processes that allow for robust energy production we should. If we can ease compliance from multiple agencies and reduce regulatory confusion, we should. If we can create policies that protect our energy infrastructure, we should.

As this conference moves forward, I will support the provisions on LNG exports and will fight to see that the permitting process is as quick as possible. As the author of the provisions to lift the ban on crude oil exports, and seeing the positive results, I am very interested in seeing more LNG exports.

I also believe that better coordination with Canada and Mexico will be beneficial to our energy security.

I believe that when we have the opportunity to enact common sense policies we should. I have been vocal in my opposition to the phase out of certain light bulbs and believe that these actions harm consumers and the market in general. The phase-out -- began in January 2012 with the 100-watt, followed by the 75-watt last year and the 60-watt and 40-watt – angered many Americans who dislike newer bulbs partly because of their higher up-front costs. Every year in the appropriations process we pass a law that says no funds shall be used to enforce these standards causing the phase-out. If we can craft language that would end this process once and for all, that would be my preference.

I personally do not believe that CAFÉ standards are still necessary. I have been told I am in the minority in my way of thinking on this. But what I do believe we have agreement on is if a manufacturer is in compliance with one agency, that should not put them out of compliance with another agency, but that is what is happening under the current EPA/PHMSA regime. At the very least, we need to harmonize the regulations and I will fight for that in this conference. I plan to work with my colleagues to ensure that we have such harmonization language.

Thank you for all the work thus far and I look forward to seeing where we end up.

JEFF DENHAM
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Congress of the United States
House of Representatives
Washington, DC

HOUSE AGRICULTURE COMMITTEE

HOUSE NATURAL RESOURCES COMMITTEE

HOUSE TRANSPORTATION AND INFRASTRUCTURE COMMITTEE

CHAIRMAN, SUBCOMMITTEE ON RAILROADS, PIPELINES AND HAZARDOUS MATERIALS

Thursday, September 8, 2016

The Honorable Jeff Denham
Committee on Natural Resources
Conference Committee Statement to S. 2012

I want to thank Chairmen Murkowski and Upton, Ranking Members Cantwell and Pallone, and my fellow conferees for facilitating an open bipartisan process to bring what I believe to be a strong energy modernization bill before us here today. The American people deserve this to be an open process that results in a solutions oriented conference report.

Just to be clear on what we're talking about here – energy policy modernization – is not about Washington, D.C. politics. This is about the livelihood of all Americans, this is about energy security.

Make no mistake, California water must be part of those solutions. Millions of Californians need drought relief, and it is unacceptable if their needs are not addressed in the final product we send to the President's desk.

We can't afford to waste this opportunity - The Central Valley and all Californians need jobs, and water means jobs. There are simple things that we should be able to agree on, like provisions to tamper predation of endangered fish species, promote clean energy initiatives like hydropower, and increase our water storage capacity.

We should not be afraid to tackle harder issues as the livelihood of Americans depends on this bill.

I look forward to an open, public process on amendments to be debated and agreeing to meaningful solutions that modernize American energy.

Sincerely,

Jeff Denham
United States Representative

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Statement of the Honorable Debbie Dingell
Meeting of Senate and House Conferees on S. 2012, the Energy Policy Modernization Act of 2016
September 8, 2016

Thank you for the recognition, Madam Chairman. The energy landscape of the United States is changing rapidly and we must ensure that our laws and policies keep up with the times. We are expected to become a net exporter of natural gas in 2017. The Energy Information Administration projects a 60% increase in utility-scale solar power this year with another 25% increase next year. Wind energy production is expected to increase by 17 GW between 2016 and 2017. Energy-related emissions of carbon dioxide are expected to decrease by 1.5% this year and by 0.8% next year. This conference committee represents a great opportunity to build off these recent improvements in American energy development while promoting policies that increase efficiency, improve conservation, and support American manufacturers. There is a lot of work ahead of us to achieve these important goals, but I am committed to setting our differences aside so we can reach a compromise that moves our nation forward.

There are many differences between the House and Senate versions of S. 2012, including many provisions in the jurisdiction of the House Committee on Natural Resources of which I am a member. There is strong bipartisan, bicameral language to permanently extend the authorization of the Land and Water Conservation Fund (LWCF) – our nation's most significant conservation program that has benefited nearly every county in this country. We should use this conference to finally get this across the finish line. There is also strong language in the Senate bill which is a companion to H.R. 4106, the Vehicle Innovation Act, which I sponsored in the House. This critical language would reauthorize the activities of the Vehicle Technologies Office at the U.S. Department of Energy and builds on the innovative work they have done to improve vehicle fuel economy and minimize petroleum use. I urge my colleagues to maintain these provisions in any final conference report.

Compromise is not a dirty word – in fact, it is what our constituents sent us here to do. Much work remains to resolve our differences but I'm optimistic we can get a bill that would benefit the American people by improving energy efficiency, modernizing our energy infrastructure, and promoting proven conservation programs.

- In the decade since Congress last approved a major energy bill, America's energy landscape has dramatically changed.

- This Congress, both the Senate and the House have been working on legislation to update our nation's energy policy. I want to thank Chairman Lisa Murkowski who tirelessly worked alongside Ranking Member Maria Cantwell for their leadership on S. 2012, the *Energy Policy Modernization Act.*

- Included in this legislation are a number of provisions that I have championed that will benefit my home state, Idaho, and our nation.

- Today, everything from the basic necessities of modern life, to critical functions of national security are connected via the electric grid. As such, it is important that we look for opportunities to improve our grid and protect it from actors who want to do us harm. I am proud that this legislation contains language that will do just that—modernize our electric grid and enhance cybersecurity efforts.

- As our nation's nuclear energy lab, it is also important that we support the Idaho National Lab along with all of our other national laboratories as they continue to innovate. I am excited that the Nuclear Energy Innovation Capabilities Act was included as part of this legislation. NEICA directs the U.S. Department of Energy (DOE) to prioritize partnering with private innovators on new reactor technologies and the testing and demonstration of reactor concepts.

- As America continues to pursue an "all of the above" energy policy, it is important that we encourage the use of Idaho's cleanest, renewable energy—hydropower. For far too long, hydropower has not been fully recognized as a renewable energy source for federal procurement and the Energy Policy Modernization Act changes that. For the first time, hydropower, existing and new, will be classified as a renewable resource

for federal procurement and will be recognized as an essential energy source in the United States.

- However, this bill is not limited solely to energy issues. With more than a half-a-million sports men and women in Idaho alone, the Sportmen's Act included in S. 2012 will ensure they and all sports men and women, can continue to access their favorite hunting or fishing spot. For those of us who hunt and fish, it is difficult to put into words why this legislation is so important. Passing on traditions is an important part of American life, and the ability to teach youth about hunting and fishing is an inherent part of our society. This bipartisan Sportsmen's Act helps us make that happen.

- While traveling across Idaho last month, I was once again confronted with wildfires and their terrible impact on our forest land. As this conference discusses many issues, I want to urge us to consider forestry provisions that will end the practice of fire borrowing and will increase active forest management on federal lands.

- Two out of every three acres in Idaho is owned by the federal government. Although these lands are exempt from property taxes, county governments must still provide many essential services to millions of national forest visitors each year. That is why it is imperative that we reauthorize the Secure Rural Schools program to help counties in Idaho and across our nation avoid deep spending cuts to schools, roads and emergency services.

- It is time to update our nation's energy policy and I look forward to working together to get a conference agreement.

SENATOR SANDERS STATEMENT FOR THE RECORD
MEETING OF SENATE AND HOUSE CONFEREES ON
S. 2012, the Energy Policy Modernization Act of 2016

Thursday, September 8, 2016, 9:30 a.m.

Madam Chair,

At a time when just today, the National Academies of Science, Engineering, and Medicine are telling us that we must take dramatic action on all aspects of our energy policy, what we have before us are several provisions that not only do very little to actually solve climate change, several actually make it worse. If we are truly serious about modernizing our energy policy, if we are going to listen to the scientists, if we are serious about climate change, if we are going to leave a livable planet to our children and grandchildren, we must move aggressively away from fossil fuels toward sustainable energy. We have the opportunity to aggressively transition away from fossil fuels toward sustainable energy; sadly the current policies fall short.

That is why I will be working with the other members of this conference committee to ensure that provisions in the conference report work to solve climate change, not make it worse. Specifically, my priorities include:

- **Energy Efficiency** – While the remaining energy efficiency provisions have been whittled down to fragments of their original form, I will fight to protect the few surviving energy efficiency provisions, especially the building code provisions, the SAVE Act, and the authorizations for the Weather Assistance Program and State Energy Program.

- **Hydropower** – We must encourage the use of valuable sustainable energy resources like hydropower, but we must do so in a way that is environmentally sensitive.

- **Fossil Fuels** – Both bills have several provisions that support and expand support for the very fuels that cause climate change. The senate bill will cause more fracking for natural gas and expedites natural gas exports. It also supports dangerous methane hydrate research off the Gulf Coast.

- **Biomass** – Vermonters have proven that biomass energy can be a sustainable practice by using careful forestry practices, but that does not make all biomass practices good. We should not force the hand of the EPA or legislate the climate science behind biomass energy.

- **Nuclear Power** – The Nuclear Regulatory Commission should not be eliminated from what little power it has to regulate nuclear power reactors. Nuclear fuel and waste are extremely dangerous, and should be treated as such.

- **The Land and Water Conservation Fund (LWCF)** – The LWCF is a vital program with vast benefits to both urban and rural communities. It should be permanently authorized and fully funded.

- **Workforce development** – I fully support efforts in both bills that will help train the clean energy and advanced manufacturing economies of the future.

I urge my colleagues on this conference committee to include strong provisions for energy efficiency, renewable energy and energy storage provisions that have the potential to lead this country toward the clean energy economy we desperately need.

