

## Opening Statement Senator Maria Cantwell (D-Wash.) Committee on Energy and Natural Resources Hearing on Energy Infrastructure May 14, 2015

"Thank you, Chairman Murkowski, and I so appreciate that we are having a hearing today on energy infrastructure. It's probably one of the most important and also complicated areas that we are going to try to deal with in energy legislation.

"The vast majority of our energy infrastructure in the U.S. is owned by private industry. And it is governed by a patchwork of federal, state and local laws, which collectively determine the level of investment this infrastructure attracts—and the competitive conditions in which (and by whom) it is operated.

"When Secretary Moniz was here last month to talk about the Quadrennial Energy Review (QER), he made a very compelling case that we are at an 'energy crossroads.' The dynamic and changing nature of our domestic resource mix—and not just expanded supplies of natural gas, but also the growth of distributed generation—is creating both new challenges and great opportunities.

"When you add extreme weather events and the changing climate as variables, we need to consider resilience in our infrastructure investment, making sure that we are also thinking of energy security as part of the equation.

"In reviewing the status of our energy infrastructure, I believe the QER did us a service in mapping out some of the most pressing challenges and opportunities. Specifically, it recommends five major priorities:

- taking steps to bolster the resilience, reliability, safety and security of our infrastructure;
- modernizing our electric grid;
- modernizing our energy security infrastructure, like the Strategic Petroleum Reserve, to keep pace with changes in the global energy picture;
- improving our shared transportation infrastructure for energy commodities, like rail and barge; and
- better integrating North American energy markets.

"While looking at our agenda today, it's clear that senators across the board recognize that upgrading our grid infrastructure will enable the integration of new technologies that benefit our competitiveness and consumers.

"We have numerous bills dealing with grid modernization. "This is because smart, targeted federal investments that cultivate public-private partnerships for research, development and demonstration will pave the way toward new solutions. This is something, I think, that is unique to the U.S. economy and a huge economic opportunity. That's what is required to generate the kind of trillion-dollar private sector investment needed to retrofit our energy infrastructure and to keep pace with the needs of a 21st century economy and security.

"As such, I look forward to the testimony of our witnesses today on this subject. In particular, I'm pleased to welcome Ms. Ericson, our witness from Alstom. Alstom Grid's Center of Excellence is located in Redmond, Washington. They have a great story and I look forward to hearing more about them today.

"There are many opportunities associated with the grid, as a platform for both security and innovation. And I know we are going to have another hearing on this later on workforce issues, but I hope to touch a little bit on that today.

"It has definitely gotten my attention that the energy industry is expected to add 1.5 million workers in the next 15 years—and about 200,000 more workers with computer and math skills are projected to be needed.

"I want to ensure we have that energy workforce for tomorrow, so we can take advantage of that huge investment opportunity. And I want to make sure we're delivering the right workers with the right skills, and I think that we have a lot of opportunity to partner with the Department of Energy on that.

"The grid is obviously a topic of interest to members on both sides of the aisle. But, judging from the wide range of proposals we have before us—especially with respect to amending the Public Utility Regulatory Policy Act of 1978 (PURPA)—the committee also has significant amount of work to do, to figure out the right approach to create conditions for innovation in the electric distribution system.

"Obviously, the topic that goes hand-in-hand with what we want to do on the grid is cybersecurity. Senators Risch and Heinrich have a proposal, which mirrors legislation this committee has reported on a few prior occasions. And, I've also introduced the Enhanced Grid Security Act (S. 1241) to tackle this important subject. So getting this right and getting cybersecurity right will be important to everyone.

"Finally, we also have on the agenda today a number of siting and permitting proposals. There is undoubtedly room for improvement in our process—especially with respect to interagency coordination—about how we can move these processes along. But we have a number of very significant policy suggestions before us, like:

- creating additional federal authority for oil pipelines at Federal Energy Regulatory Commission (FERC);
- making it easier to site pipelines in our national parks;
- rewriting the executive order put in place by President George W. Bush, with respect to siting cross-border infrastructure projects, obviously none of which I support; and
- we also have two diametrically opposed approaches to electric transmission siting.

"And I think you will remember this mark-up where we had a siting discussion before, in 2009; there were nearly a dozen amendments and it took two days. So I am sure when we get to those issues again, there will be a similar discussion with a wide range of approaches of what to do.

"But clearly, we are here because we want to move our infrastructure investments forward. And we want the U.S. both to continue to grow a strong and resilient infrastructure for our energy needs and to seize the economic opportunities available to the United States, as we look at smart grid leadership around the globe.

"So thank you, Madam Chairman, for holding this hearing today, and I look forward to the testimony of our witnesses."

###