



Opening Statement
Hearing on Energy Infrastructure Legislation
Chairman Lisa Murkowski
May 14, 2015

Good morning. We will call to order the meeting of the energy committee. We are moving forward in the second in our series of four legislative hearings regarding the broad and hopefully bipartisan energy bill that our committee is assembling.

The 22 bills included on the notice for this week’s hearing address challenges related to energy infrastructure. My expectation – and at the very least my hope – is that the best ideas expressed in these bills we are considering today will ultimately become provisions of the broader bill that we intend to move later this summer.

When I think of energy infrastructure, first to my mind is the “energy midstream.” And that is, facilities that move energy all over the country, from where it is produced to where it is used by families and businesses, such as natural gas pipelines or electric transmission lines. These systems are complex, yet required to work seamlessly. The expectation is that they’re always going to work. Also called to mind are other “softer” elements of infrastructure, such the quality, size, and expertise of America’s energy workforce. Our witnesses this morning are qualified to address each of these topics.

It’s clear from reviewing the bills on our agenda this morning many Senators believe that our energy infrastructure faces challenges that require our attention. We have diverse ideas about how to strengthen the nation’s energy infrastructure and are focused on a wide variety of topics. Equally clear from my conversations with members on both sides of the aisle, however, is that we all recognize that the vast majority of the nation’s energy infrastructure is privately owned – it is built, maintained, expanded, and improved largely with private investment.

As I see it, the key question presented for all of these bills and for energy infrastructure generally is: what is the proper role of federal policies in private-sector investment? And while many Senators agree that energy infrastructure must be improved, there are a variety of open questions to be addressed. These include things like:

- What qualifies as an infrastructure improvement?
- Are legal and regulatory barriers standing in the way of technological improvements and advancements?

- How do we ensure that federal permitting is more timely, consistent, and certain while continuing to meet all of the requirements of the law?

And finally, it is obvious that Senators are prepared to give significant attention to federal law governing electricity and the “uniquely critical” grid infrastructure.

Our hearing just a couple months ago on the state of technological innovation related to the electric grid established that a cumulative investment of between \$300 and \$500 billion over the next 20 years will be required.

- So how will federal law and policy influence that investment?
- And how can we ensure that federal policies lead to positive change?

And further, how can we avoid the unintended consequences of reliability losses, unwarranted or undisclosed price increases, inhibiting technological innovation, or stifling customer preferences?

Those are the questions that we’re seeking answers to, and I hope that today’s hearing will prove useful in this regard. We’ve already learned that today’s developments in electricity have tremendous potential, but also present a number of challenges – such as smoothing out the intermittency of variable, weather-dependent generation. With the rise of distributed generation and smart grid technologies, Americans are gaining more control over how they use and consume electricity, but the grid must be even more closely integrated as a result.

As eager as we all are to contribute to the arrival of a smarter, more futuristic energy infrastructure, I think that we policymakers must first “do no harm.” This maxim holds true for our efforts regarding the construction, security, and regulation of pipelines, transportation, information technology and other infrastructure as well. And so I hope this committee can continue with the deliberative approach that we’ve employed in all of the hearings leading up to today. And I thank our witnesses in advance for their contribution to that end.

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