

Opening Statement
Nomination of Rick Perry to be the Secretary of Energy
Chairman Lisa Murkowski
January 19, 2017

Good morning and welcome, everyone, to our second Cabinet-level confirmation hearing of this inaugural week.

I would like to start by thanking Senator Cornyn for being here to speak on behalf of our nominee—Senator Cornyn, it is always good to have you with us. And also our fellow committee member, Senator Manchin from West Virginia, has also prepared some introductory remarks.

Governor Perry, I'd like to extend a warm welcome to you, as well. I appreciate your desire to serve and your willingness to become our next Secretary of Energy. I have enjoyed meeting with you and learning more about your success as governor of Texas, including your accomplishments on energy and the environment. I'm going to withhold this morning any reference to Alaska-size versus Texas-size.

You are seeking to lead the Department of Energy at both an interesting time and a critical time. DOE has helped make our nation a global leader in research and development by supporting basic research, encouraging scientific exploration, and fostering innovation. At the heart of these efforts are scientific research funded by the Department and the 17 national laboratories that employ the Department's greatest asset—the scientists who dedicate not just their careers, but their lives, to solving some of the toughest challenges facing our nation and the world.

I am hopeful that if you are confirmed, Governor Perry, you will take a broad view of the importance of basic scientific research, and continue to pursue the

significant benefits that result from it. Done right, in a disciplined manner, a good set of innovation policies will provide us with more energy, reduce the amount of energy that we use, and lower the costs we pay for energy.

In my view, those should be guiding principles for the Department, so I encourage you to work with the rest of the administration to increase access to energy, to make it more affordable, and to continue to improve its environmental performance. Folks here at the committee know that I have a set of principles that are pretty easy: affordable, accessible, clean, diverse, and secure. There is no acronym there. It is in alphabetical order so that we remember it all. I sum it all up with one bumper sticker that just says ‘energy is good’ because I believe that. And I hope you believe that as well. If those are our goals, and we achieve them, that will contribute greatly to our prosperity of this country, our standard of living, and the health of our planet.

I also encourage you to ensure that the Department of Energy steps up and becomes an advocate for energy supply within the councils of our government. For about eight years running, we have lacked that voice and other agencies have succeeded in taking resources off the table, regardless of the long-term consequences for the American people.

One of the biggest challenges facing the Secretary of Energy is the management of a large and complex organization with thousands of employees and tens of thousands of contractors. I do not subscribe to the view that only a scientist can manage other scientists. Instead, I think what we need a good manager to manage our scientists – someone who knows they don’t know everything, yet someone

who is capable of organizing, setting direction, imposing accountability, making the greatest possible use of taxpayer dollars, and reaching goals.

Mr. Perry, as the longest-serving governor of Texas, you have considerable experience leading a big and sophisticated enterprise. I believe that would serve you well as Secretary, and look forward to hearing how you would carry that experience over to the Department.

If you are confirmed, you will also find yourself in a position to make the Department run more effectively. Secretary Moniz has made progress in breaking down some of the silos that have historically frustrated the Department, but I think we all recognize there is more to be done. Offices within the Department must do a better job working together to utilize limited resources and reduce unnecessary duplication.

I know that in our conversation you made a commitment to travel to my state, and I am sure that as you have visited with other members you have made similar commitments to them, but I certainly appreciate your commitment to travel to Alaska with me to see my home state firsthand. While the Department of the Interior is usually the one that makes headlines in Alaska, the Department of Energy is also important, in at least three key ways.

The first is what the Department can do to help reduce extremely high energy prices in Alaska. Energy costs are the greatest challenge facing our rural areas. Many of our communities still rely on costly diesel as their primary energy source—and many of the small Interior communities that are inaccessible by road, that get a barge maybe twice a year, they may be experiencing fuel prices up to

nine dollars or more a gallon for their fuel. This is simply unsustainable. That is an unbelievable burden for our remote communities. And what happens ultimately is that you have families say, “We can’t stay here. We can’t stay in a region that we have been in for 1,000 years,” because the energy costs are driving them away. So they leave their villages and go to town, Anchorage or Fairbanks, but it really is not the right choice. I think our challenge should be to help them find those energy solutions.

And this is where we in Alaska can offer a great deal of opportunity because we have been innovative out of necessity. And we have a lot to share with the rest of the country in terms demonstrating how we can find energy solutions very locally. We have more microgrids and more to talk about in the microgrid-space than anywhere else in the country. So I ask you to use us, use that expertise.

I think the Department of Energy some has a great opportunity to partner with communities and organizations not only in Alaska but around the country to develop real solutions, particularly with renewable energy, that will reduce our energy costs. I told you that I think that Alaska can be that ‘proving ground.’ If a new technology makes sense anywhere, it should make sense in Alaska, and our people will be grateful for it if it cuts their costs. I want to see the Department make a much greater effort to capitalize on that going forward.

The second key way the Department can work with Alaska is to help us bring our stranded natural gas resources to market. Last year, the Department granted a conditional export license to the Alaska gasline project. But we have to continue to receive strong support and timely approvals from the federal government, if this project is to proceed.

Finally, the Department of Energy can help Alaska commercialize more of its vast resource base. The Office of Fossil Energy has focused almost exclusively on the environmental aspects of fuels in recent years, but its mission is supposed to be considerably broader than that. A renewed focus on pre-competitive research on methane hydrates and other resources could lead to new breakthroughs, and boost our nation's energy security long into the future.

I do think that it is important to recognize that this committee, which has a reputation for working collaboratively in a good, bipartisan way. Senator Cantwell and I along with our colleagues have been able to move the ball forward on some very important energy issues. And in part, that's because our committee has generally enjoyed a positive relationship with the current Secretary of Energy, Ernie Moniz. He has done well as Secretary, and while I didn't always agree, it was a working relationship that was solid. And there was great respect. In that respect, I hope you will follow his lead: working with us, making yourself available to us to testify here, staying in touch, and generally being responsive to our members. If you can do that, you will be on the right track, and we will work well together as we seek to maintain America's energy leadership. So again I thank you for your willingness to be here and to serve.

Senator Cantwell, I will now turn to you for your opening remarks.

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