

Opening Statement of the Honorable Fred Upton
Subcommittee on Energy and Power
Hearing on “Discussion Draft on Accountability and Department of Energy Perspectives
on Title IV: Energy Efficiency”
June 3, 2015

(As Prepared for Delivery)

Today’s hearing continues what is shaping up to be a banner week for our Architecture of Abundance efforts. Much of our draft bipartisan energy bill is related to the American energy renaissance, and several of its titles seek to create policies that allow the nation to realize the full economic and geopolitical potential of our growing energy abundance. In Southwest Michigan and all across America, folks are better off because of our good energy fortune. But our draft bill is not only about new energy sources, it also addresses accountability and improved operation of existing energy markets as well as increases in energy efficiency. That is the subject of this two-day hearing.

In particular, we have carefully reviewed FERC’s role in energy markets and see some areas where changes would be beneficial. For example, we have learned from experience that the provisions in the 2005 energy bill expanding FERC’s enforcement authority, as well as FERC’s order establishing regional transmission organizations, have created a number of unintended consequences for electricity markets and have not kept up with some of the changes in the industry. Our discussion draft seeks to address these issues while maintaining FERC’s enforcement and oversight role. The Public Utility Regulatory Policies Act of 1978 is also in need of updates to better reflect current electricity markets, technologies, and resources, and our targeted provisions seek to do just that.

On the subject of energy efficiency, our discussion draft begins with America’s largest energy user – the federal government. And there is room for improvement, ranging from greater use of energy savings performance contracts to improved energy efficiency at federal data centers, and several other ideas contained in our discussion draft.

We also seek improvements in energy efficiency programs affecting manufacturers and consumers. This includes changes to the Energy Star Program and the Energy Guide labels, and important clarifications to the federal role in establishing voluntary state and local building energy codes.

I look forward to a constructive and bipartisan discussion of these issues so that the accountability and energy efficiency provisions strengthen our energy bill and provide benefits for energy producers and consumers. Our plan embraces our newfound energy abundance, and we will continue to advance this vision.

###