

**Opening Statement of Chairman Fred Upton  
“The FY 2013 DOE Budget”  
Subcommittee on Energy and Power**

**March 8, 2012**

*(As Prepared for Delivery)*

Today’s hearing on the Department of Energy’s Fiscal Year 2013 Budget comes at a critical time for energy policy in this country.

Gasoline prices continue their march toward \$4.00 per gallon. We remain dependent on unstable foreign sources of oil despite abundant untapped domestic supplies, as well as Canadian supplies this administration is blocking from coming into the United States. At the same time, residential electricity prices have been increasing every year over the last decade.

Mr. Secretary, you have raised some eyebrows with your comments on gas prices and what it says about this administration’s overall energy policy. Many of us were stunned by your past suggestion that, “Somehow we have to figure out how to boost the price of gasoline to the levels in Europe.”

More recently, just last week you were asked whether your overall goal was to lower gasoline prices, and you said “no.” You said the goal was to decrease dependency on oil – a long-term goal to be sure – which means you’re not focused on reducing prices for families and small businesses struggling today.

Increased energy prices mean American households are spending a greater percentage of their incomes on energy costs, leaving them with less money for food, healthcare, and other basic necessities.

So what has the President done to help solve our energy problems?

President Obama has twice rejected the Keystone XL pipeline project and all the job creation and secure energy supplies it would deliver.

President Obama’s solution to higher gas prices is to threaten to siphon from our emergency oil supplies by tapping the Strategic Petroleum Reserve rather than opening more federal lands to domestic energy development.

Instead of eliminating regulatory red tape, President Obama's EPA has imposed costly new regulations on our power sector that will drive up electricity prices, make it impossible to build new coal-fired generation in this country, and threaten the reliability of the electric grid.

The President has recently begun to brag that he supports an "all of the above" energy policy, but these actions look more like a policy of "nothing from below." Oil production opportunities blocked. Layers of new federal regulations contemplated for natural gas development. Costly rules designed to squeeze out coal. And the sad saga of Yucca Mountain, halting development of a long-term repository and raising questions about our long-term nuclear prospects.

The President's proposed Fiscal Year 2013 Budget for the Department of Energy is not an "all of the above" policy. Rather, it seeks to transform the U.S. energy portfolio based on unproven and more expensive alternatives.

Indeed, the President's budget proposes to slash funding for proven energy resources such as coal, nuclear, and hydropower, while significantly increasing funding for high-cost, high-risk energy alternatives.

The President's budget proposal makes clear that this Administration has learned nothing from its failed Solyndra experiment and that DOE wants to continue to gamble with taxpayer dollars.

Developing alternative energy sources and technologies are laudable goals, and there is a place for research. The problem occurs when a higher priority is placed on a green economy than a healthy overall economy.

Unlike the President's proposed DOE budget, Members of this Subcommittee support a true "all of the above" energy policy – a policy that recognizes both economic and environmental considerations. A policy that relies primarily on market forces to drive innovation and efficiency.

But words are not enough, which is why this Subcommittee has worked hard this Congress to pass several energy bills that would help to mitigate the energy problems we face while doing so in an environmentally responsible manner. Simply put, energy is a jobs issue. We need affordable energy to fuel our economy.

I look forward to today's discussion and thank Secretary Chu for his participation here today.

