

**Opening Statement**  
**The Honorable Ralph Hall (R-TX), Ranking Member**  
Committee on Science and Technology  
*Department of Energy FY 2011 Budget Request*  
March 3, 2010

Thank you, Mr. Chairman, for holding this hearing today. I want to welcome Secretary Chu back for his second visit to the Committee. I look forward to continuing to work with you on the energy challenges that are central to DOE's mission and the Nation's well-being.

When it comes to energy and DOE's budget there is of course an abundance of important issues to discuss, but I want to focus my comments on three high level areas: (1) energy independence and security; (2) the status and outlook for nuclear energy; and (3) science and innovation as a priority investment toward maintaining America's long-term economic competitiveness.

Most important—and most concerning—to me in this budget is its approach to energy security. While I recognize and generally support efforts to advance energy efficiency and renewable energy sources, any serious approach to strengthening American energy independence must be “All of the Above,” and complemented by a comprehensive effort to expand traditional sources of domestic energy, primarily oil and natural gas. We are all concerned about jobs, so this Administration should be heartened by the fact that the domestic oil and natural gas industry experienced nine percent job growth from 2002-2008. Unfortunately, this budget proposes dramatic tax hikes on domestic energy development and aims to eliminate the fossil energy R&D programs, including the proven and successful Ultra-Deep program that I helped to establish in the Energy Policy Act of 2005. These actions—combined with delays in opening up new areas for domestic energy production and efforts to ration carbon use through Cap and Trade— will result in higher energy costs, reduced job growth, and increase our dependence on foreign energy sources, including those provided by regimes hostile to American interests.

With respect to nuclear energy, I appreciate the Secretary's stated desire to “restart the nuclear energy industry in America.” However, the signals on nuclear remain mixed, and I hope to see the Administration's desire translated into real action and support, from loan guarantees, to licensing to R&D. Nuclear waste storage is critical and the Administration's determination that Yucca Mountain is not a workable option seems cavalier when not based on any scientific, engineering or economic analysis. I have written the Secretary asking for more information on his decisions and plans in this area. I look forward to his thorough and timely response, and to working with him on this as we go forward.

Last, I want to reiterate my strong support for investments in the basic research activities that drive American innovation and competitiveness. In 2007, the S&T Committee led passage of the America COMPETES Act, which placed the DOE Office of Science on a path to double over seven years. While I am pleased that the President appears mindful of the need for basic research and development, I am concerned with how the Administration is choosing to direct the American taxpayer's research dollars. I have long feared that ARPA-E would divert funding from the Office of Science, and it appears that this budget reflects that reality. Moreover, there seem to be multiple other programs with overlapping goals and activities that must be better

explained and distinguished from traditional agency activities. For example, it is unclear how the activities supported by the newly established and requested energy innovation hubs, the energy frontier research centers and traditionally applied energy programs are different. We need improved clarity on this question to enable prioritization and minimize confusion and potential duplication of effort.

In our current economy we need to be judicious with taxpayer dollars. I am concerned with where this budget is taking us and the ways the Administration is choosing to direct energy research dollars.

While I have many more questions and concerns that I hope to cover in our discussion and subsequent interactions, these are my top priorities that I look forward to hearing from the Secretary on.

Thank you again for taking the time to be with us today.