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SHERWOOD-RANDALL NOMINATION

HEARING

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

ONE HUNDRED THIRTEENTH CONGRESS

SECOND SESSION

TO

CONSIDER THE NOMINATION OF ELIZABETH SHERWOOD-RANDALL TO BE DEPUTY SECRETARY OF ENERGY

JULY 24, 2014

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SHERWOOD-RANDALL NOMINATION

THURSDAY, JULY 24, 2014

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The committee met, pursuant to notice, at 10:05 a.m. in room SD–366, Dirksen Senate Office Building, Hon. Mary L. Landrieu, chair, presiding.

OPENING STATEMENT OF HON. MARY LANDRIEU, U.S. SENATOR FROM LOUISIANA

The CHAIR. Good morning.

Our committee meets this morning to consider the nomination of Dr. Elizabeth Sherwood-Randall, to be Deputy Secretary of Energy. We're so pleased to have the Honorable Dianne Feinstein, Senator of California, with us this morning and General Scowcroft. Thank you so much. It's wonderful to have you before our committee.

Secretary Moniz has said the mission of the Department of Energy is to ensure American security and prosperity by addressing energy, environmental and nuclear security challenges through transformative science and technological solutions.

The Department of Energy promotes energy security and prosperity through an all the above energy strategy that includes oil, natural gas, coal, nuclear, renewables and efficiency.

It manages our strategic petroleum and home heating oil reserves, licenses, natural gas exports and is developing a smarter, more efficient, electric grid, more efficient vehicle manufacturing and building technologies and cleaner coal and safer nuclear technologies.

It is the largest Federal sponsor of basic research in the physical sciences managing 17 national laboratories and supporting cutting edge research in physics, chemistry, biology, environmental science, mathematics and computerizational science.

It is responsible for maintaining and modernizing the Nation's nuclear weapons stockpile, fueling the nuclear navy and reducing global nuclear threats while also cleaning up radioactive and chemical waste left over from World War II and the cold war, no easy task.

This nominee before us has been nominated to a very important position. The Deputy Secretary of Energy plays a key role in all of this. The Deputy Secretary is the Department's second highest ranking official, who steps in and exercises all the power and performs all the functions of the Secretary in his absence. This posi-

tion has traditionally served as the Department's Chief Operating Officer and has been often called to be the Secretary's Crisis Manager and Problem Solver.

Dr. Sherwood-Randall appears to be up to this great challenge.

She currently serves as Special Assistant to the President and White House Coordinator for Defense Policy, Countering Weapons of Mass Destruction and Arms Control.

She previously served as Special Assistant to the President, Senior Director for European Affairs at the National Security Council from 2009 to 2013.

She was Deputy Assistant Secretary of Defense for Russia, Ukraine and Eurasia under Secretary William Perry during the Clinton Administration.

She was former Senator Biden's Foreign Affairs and Defense Policy Advisor and held post at the Council of Foreign Relations.

She is a Stanford University and Kennedy School at Harvard. She's a graduate of Harvard, was a Rhodes Scholar, holds a doctorate from Oxford University. Like the outgoing Deputy Secretary, Ms. Sherwood-Randall brings a stellar background in nuclear weapons, non-proliferation, international affairs to the Department.

I might say, a wonderfully generous and genuine attitude to this really big job and a very humbling demeanor.

I'm pleased to welcome you, Dr. Sherwood-Randall, to the committee this morning. I look forward to hearing from you. Before we do I'd like to turn it over to Senator Feinstein and then to General Scowcroft.

STATEMENT OF HON. DIANNE FEINSTEIN, U.S. SENATOR FROM CALIFORNIA

Senator FEINSTEIN. Thank you very much, Madame Chairman.

I feel very privileged to be able to be before you, particularly, because of the stellar credentials and friendship of the woman on my left. As you so well stated, she is slated to become the Deputy Secretary of the Energy Department.

Sitting on her left, General Scowcroft co-chairs the Aspen Strategy Group, to which both Liz and I belong. So I have had ample opportunity to observe her, to meet her family and to see that she is really so well founded, I think, with a very special and privileged background. You gave some of it.

I just—let me just for a moment fill in some of the things you may not have said.

Early on she had a Bachelor's Degree from Harvard. You mentioned she was a Rhodes Scholar. She received a Doctorate in International Relations from Oxford.

From 1986 to 1987 and she looks so young, this is the thing. From 1986 to 1987 she served right here in the Senate as Chief Foreign Affairs and Defense Policy Advisor to our then colleague, Joe Biden.

She then returned to academia. She served at Harvard as a cofounder and associate director of the Strengthening Democratic Institution's project at the Kennedy School.

In 1994 she came back to public service, was brought back by then Secretary of Defense, Bill Perry, to serve in President Clinton's Administration as Deputy Assistant Secretary of Defense for

Russia, the Ukraine and Eurasia. In this capacity she was responsible for persuading 3 new nuclear Nations, namely Belarus, Kazakhstan and the Ukraine to give up their nuclear warheads and join the Nuclear Non-Proliferation Treaty. They did. The world is a safer place as a result.

From there she went on to spend the next decade in academia expanding her expertise on national security, the proliferation of weapons of mass destruction, Europe, NATO and more.

From 1997 to 2008 she was a founding principle in the Harvard Stanford Preventive Defense Project. Then she was also a Stanford University Senior Research Scholar.

Now your items come in later in her history, but I look over and I don't see a 100 year old woman.

[Laughter.]

Senator FEINSTEIN. Which is really quite amazing.

As you know I Chair the Energy and Water portfolio of the committee that you Chair and Senator Murkowski is Ranking Member on with respect to energy. So I handle the money.

We have one big problem. That is that the defense part of our portfolio which is walled off from everything else, the Army Corps of Engineers, the Energy Department, the Office of Science and all of those things is becoming more and more constrained because of the expanding nuclear and non-proliferation part of the portfolio.

As you well know, there are plans to retire certain nuclear weapons, but I think this national security part, the current Secretary of Energy is very well steeped in the Energy area and the Science, Technology part of that. This is the balance here, someone who is well steeped in the other part of the portfolio which money wise is expanding and taking over the non-defense part of our portfolio.

It is a problem. We need to solve it. So I really look forward to working with her.

I hope the 2 of you will join us because I think we both, the Army Corps, really is our infrastructure part of Federal Government and the Office of Science is often where ARPA, the new experiments come from. So to keep these in balance is a real effort. I look forward, if I may say, Madame Deputy Secretary, or as I know you, Liz, this is a very serious thing that we keep this balance.

So I hope that the 3 of us here and including my ranking member that I work closely with, Lamar Alexander, can sit down with you and have some conversations on where long term we go in terms of this balance because as you authorize and we try and appropriate. It becomes a bigger and bigger problem.

So I think you're the one to handle it. You are well steeped in defense technology. You're well steeped in nuclear non-proliferation. You're well steeped in nuclear weapons and their warheads.

So I just want to say that you have before you an amazing American woman. I'm just very pleased to support her and help present her to you.

We have another distinguished General also, I think, to do exactly the same thing.

The CHAIR. Thank you, Senator. Thank you for your leadership.

You are absolutely correct and right on in your call to us to really focus on this really serious issue both from an authorizing stand-

point, but truly from an appropriations standpoint. As you know, I serve on the committee with you on Approps and it is very troubling to see the amount of money that is required to complete the direction that this committee and others have given and the crowding out that's happening to the Corps of Engineers with for Alaska and Louisiana and California is a serious infrastructure agency that just is starved of funding to keep our ports open, our, you know, our energy ports, our cargo ports at a time with global, you know, trade expanding.

So this is a real challenge. So, Ms. Sherwood-Randall, I hope you're up to it. I think you are. Your credentials most certainly suggest that you are. We'll have more questions to you in just a moment.

Senator FEINSTEIN. May I just say one more thing?

The CHAIR. Yes, go right ahead.

Senator FEINSTEIN. Since I have the 2 of you here.

Since, as you know, Senator Landrieu, Senator Murkowski and I and Senator Alexander and Jeff Bingaman and Ron Wyden, then, we work closely to come up with a nuclear waste policy. I'm very pleased that you've had now an opportunity to review it.

Senator Murkowski and I think very much alike in terms of the design of this. I want you to know that. She knows that we lose $20 billion a year because we don't have it and we become responsible for it. We've got nuclear waste piling up all over this country.

So this might be a good thing to be able to involve this new Deputy Secretary closely in it. Hopefully we can get something done.

The CHAIR. An easy thing to get her started with.

[Laughter.]

Senator FEINSTEIN. Thank you.

The CHAIR. OK.

General Scowcroft.

STATEMENT OF LIEUTENANT GENERAL BRENT SCOWCROFT, U.S. AIR FORCE, RETIRED

General SCOWCROFT. Thank you very much, Madame Chairman. It's a great privilege for me to be here and speak on behalf of Elizabeth Sherwood-Randall and to follow a person I admire immensely and that is, Senator Feinstein.

I'm going to talk about the personal aspects of the candidate because you've heard much of the detail of an illustrious career.

I've known Elizabeth Sherwood-Randall for almost 2 decades. She has sought my counsel over these years and I've watched her up close as she has worked to serve the national interest and establish her credentials for further progress in that regard. She has dedicated herself to public service and earned the trust and confidence, not only of colleagues like myself, but of a number of Cabinet Secretaries and of the President himself.

Liz has contacted me frequently during her period of service at the White House where she's had broad responsibilities for our key alliances of Europe, our defense policy and budget and our efforts to counter weapons of mass destruction proliferation.

I'd like to make 3 general points about Liz.

Her proven capabilities as a leader and manager, her non-partisan approach to issues and her dedication to service.

The National Security Team has a task of leading and managing the U.S. Government to develop national strategy and policy and then hold agencies accountable for effective implementation. The President has, over the years, asked Liz to take on some exceptionally tough challenges. I've watched her deliver results that make America stronger and more secure.

Most recently Liz was the President's Sherpa for nuclear—for the nuclear safety summit, a landmark initiative to lock down plutonium and highly enriched uranium around the world helping to prevent terrorists from getting their hands on nuclear materials.

She was also in charge of the complex process of getting more than 1,000 tons of chemical weapons out of Syria which was achieved just a few weeks ago.

She knows how to get hard things done. That is certainly what is needed in a Deputy Secretary of Energy.

I would also note that in her current capacity Liz has been involved in guiding key aspects of the Department of Energy's work covering nuclear and non-proliferation issues. She has extensive experience working with the Department of Defense as well which has, of course, is essential given the shared responsibility between DOE and DOD for the nuclear weapons enterprise. I know she is deeply committed to ensuring that it has the resources it needs to support the vital deterrence mission.

As I noted Liz has sought me out to discuss a wide range of issues over the years. I have found her open minded and interested in alternative viewpoints. She's a careful listener.

I'm confident she will reach out to you to understand the full story and to hear diverse perspectives. That that will help ensure that policies are developed with the support of Congress which, of course, is essential to addressing the challenges in this area that we face as a nation. They are serious.

Liz and I have spoken frequently about what it takes to advise a President on the toughest issues. She approaches her mission duties with humility and seriousness of purpose. I commend her to you as a person who puts public interest before self-interest. Who will, unequivocally, serve our Nation with integrity and distinction.

Thank you.

The CHAIR. Thank you for that beautiful statement on our nominee's behalf. Thank you for your extraordinary service to our Nation, General. We're very, very honored to have you today. Thank you so much for what you've done.

General SCOWCROFT. Thank you very much.

The CHAIR. Let me recognize my ranking member at this time for her opening statement. Then we will proceed.

STATEMENT OF HON. LISA MURKOWSKI, U.S. SENATOR FROM ALASKA

Senator MURKOWSKI. Thank you, Madame Chairman.

I think it's important to note that this morning we not only have the nominee here to be the Deputy Secretary of Energy and whose background clearly has been focused in nuclear. But General Scowcroft has been, I think, very instrumental as we have helped or as we have worked together to try to come forward with a proposal as to how we deal with our nuclear waste.

Senator Feinstein mentioned the efforts that this small group of us has had over the course of several years. Now looking forward to working with you, Madame Chairman and how we advance that. So I think Dr. Sherwood-Randall, you're on notice here this morning that this is a key interest to many of us, not only here on the committee, but really from a broader perspective here within the Senate.

It is, I think, quite significant that you have been introduced this morning in quite glowing terms from such prestigious individuals as General Scowcroft and of course, the leadership as demonstrated by Senator Feinstein over the years.

I do think it is good, Madame Chairman, that we have been able to schedule this hearing this morning to consider the nomination for Deputy Secretary of Energy. This is the No. 2 position within the Department.

Dr. Sherwood-Randall, welcome before the committee. I appreciate not only your willingness to serve but to serve in a new place, a new capacity. I enjoyed our visit where we were able to sit down.

I'm certainly very impressed by your qualifications. Your background at Brookings, the Department of Defense, Council on Foreign Relations, as has been mentioned by others, are quite significant and impressive and now working on some very difficult issues as a senior member of the National Security Council. So I'll repeat the question that I asked when we were visiting in my office is why pick the Department of Energy for your next stop? But I will say that I am glad that you have, particularly with our current Deputy Secretary Poneman departing this fall.

We don't often discuss the nuclear side of DOE in this committee, but it is clearly, clearly, a critical and important part of the Department's mission. I think with your expertise on nuclear security and non-proliferation that this can be an asset to us on the committee. If we can confirm you in a timely manner I would like to think that we've got a seamless transition in front of us.

But a couple things have to happen in order for that to happen.

First, you need to do well here this morning and provide substantive answers to our questions, outlining the direction that you believe that the Department should take as well as your substantive views on important issues such as energy exports.

But second and perhaps a little more complicated for you because you can't necessarily control that and that is you're going to need to navigate a Floor process that has not been very kind to our DOE nominees. Our committee has reported seven nominees for DOE who are still pending on the Executive calendar. They're yet to be considered or confirmed.

Some were reported out of this committee as far back as January. By my count only one individual has actually been confirmed to DOE this year. We recently saw a nominee withdraw after she decided that it just wasn't worth the wait.

But it clearly doesn't have to be that way. The majority can bring up any nomination for consideration at any time. We saw that with 2 recent FERC nominees. They barely spent a week or so waiting.

We certainly cleared a lot of judges this year and a lot of officials for other agencies and departments. So, perhaps we can maybe take a little breather from that and focus on DOE for a change. I

think that Secretary Moniz needs to have a full team around him. I want to help support him in that.

So Dr. Sherwood-Randall, I'm hopeful that you will persuade us here this morning that you are the right person to take over as Deputy Secretary. You certainly have impressed me. When it comes to the Senate Floor I'm also hopeful that we'll see some effort to confirm those who are willing to serve there at the Department of Energy.

With that, we'll look forward to your responses.

Again, thank you for joining us this morning and your willingness to serve.

The CHAIR. Thank you, Senator.

The rules of this committee which apply to all nominees require that you be sworn in with your testimony. So if you please stand and raise your right hand.

Do you solemnly swear the testimony you're about to give the committee, this committee, on Energy and Natural Resources shall be the truth, the whole truth and nothing but the truth?

Ms. SHERWOOD-RANDALL.. I do, Senator.

The CHAIR. Before you begin your statement, you may be seated.

Before you begin your statement I will ask 3 questions that we address to each of the nominees.

Will you be available to appear before this committee and other congression committees to represent Departmental positions and respond to issues of concern to Congress?

Ms. SHERWOOD-RANDALL.. I will.

The CHAIR. Are you aware of any personal holdings, investments or interests that could constitute a conflict of interest or create the appearance of such a conflict should you be confirmed and assume the office to which you've been nominated by the President?

Ms. SHERWOOD-RANDALL.. I am not.

The CHAIR. Are you involved or do you have any assets held in a blind trust?

Ms. SHERWOOD-RANDALL.. No, I do not.

The CHAIR. OK. Thank you very much.

You're now recognized to make your statement. I hope you will begin by introducing the faces behind you that have been beaming for the last 35 minutes.

Thank you and please begin.

[Laughter.]

TESTIMONY OF ELIZABETH SHERWOOD-RANDALL, NOMINEE TO BE THE DEPUTY SECRETARY OF ENERGY

Ms. SHERWOOD-RANDALL. Thank you.

I will begin Chair Landrieu and Ranking Member Murkowski, members of the committee by thanking you for this opportunity to appear before you as the President's nominee to be Deputy Secretary of Energy. I am honored to be here and want to express my appreciation to you, to you, Senator Scott and other members of the committee not yet here this morning, who've taken time to meet with me over the past few weeks.

I'd like to begin by thanking President Obama for nominated me to serve in this significant position in the Department of Energy,

a department whose mission is crucial to a strong economy and to our national security.

I appreciate the confidence that Secretary Moniz and Deputy Secretary Poneman have shown in me.

I incredibly grateful and humbled by the introductions by Senator Feinstein and General Scowcroft from whom I have learned so much over the years and to whom I continue to turn for wise counsel. They have set the gold standard in their decades long public service to our Nation.

It is my great pleasure to introduce to you the members of my family, most of whom have traveled from California to be here today.

First, my mother, Dorothy Sherwood, the matriarch of our family.

My husband, Jeff Randall.

My 2 sons, Richard and William.

My brother, Ben Sherwood and my young nephew, Will Sherwood.

The CHAIR. Will, can you stand up so I can see you over that big chair.

[Laughter.]

Ms. SHERWOOD-RANDALL. Will is 9 years old.

The CHAIR. Yes, thank you.

Thank you all for being here this morning.

Ms. SHERWOOD-RANDALL. Today would have been my late father's 86th birthday and I know that he would have relished these proceedings this morning.

My family has made what I do possible. I am indebted to them for generously supporting me and for their enduring love.

I particularly want to thank, Jeff, for being all in since 2009 as he has commuted from his busy Bay area neurosurgery practice to enable me to serve in government. should I be confirmed he will be signing up for more overnight flights to Washington.

I have been dedicated to public service for most of my life having been guided by parents, whose values and actions reflected deep patriotism. They raised us to honor all that America makes possible by giving back all that we can to family, to community and to country. They relentlessly emphasized education as the door to opportunity and urged us to use the opportunities that we earned to make a difference. They taught us that public service is a high calling to which we should aspire.

My first opportunity to serve was as a high school intern in the Senate in the summer of 1976 when I worked as a Legislative Correspondent for Senator Tunney from California.

After finishing my education I went to work for Senator Joe Biden, as you heard earlier. I learned firsthand about the important work of the committees and the senators who serve on them.

I have been privileged to serve the national interest across the decades in the executive and legislative branches at universities and in think tanks. My commitment and focus in each of those roles has been to making America strong and safe by improving our defense capabilities, building vibrant and durable alliances that are force multipliers for American power and preventing the

emergence of new threats that would hold at risk the freedoms and security that we cherish most.

Over the past five and a half years I have had the opportunity to help lead the Obama Administration's efforts on a wide range of complex challenges facing our Nation. Many have involved missions connected to the Department of Energy's portfolio including ensuring the safety, security and effectiveness of our nuclear arsenal and the vitality of the national laboratories and production facilities that support that effort.

This also included developing and implementing innovative strategies to counter the dangers associated with the proliferation of weapons of mass destruction, materials and capabilities and the continuing desire of terrorist groups to seek access to them.

As was noted previously, it has included supervising the fulfillment of the unprecedented agreement to get 13 hundred tons of chemical weapons out of Syria this year.

This will answer Senator Murkowski's question to me, I think. Why DOE?

Along with our uniquely capable military our energy resources will be an essential source of our strength in the 21st century especially given the changing global energy landscape. The revolution in American oil and natural gas production is helping fuel our economic growth and enhance our energy security. At the same time energy innovation drives our economic competitiveness and positions us to continue to lead the world.

If approved by this committee and confirmed by the Senate, I commit to working closely with Congress to advance the key lines of effort that reflect the priorities previously described to you by Secretary Moniz. Specifically I will:

Advance the all of the above strategy for America's energy future including the President's climate action plan.

Champion our international energy leadership including support to allies and partners.

Manage the U.S. nuclear enterprise to ensure that it remains safe and secure, continues to deliver effective deterrents and counters proliferation and nuclear terrorism.

Work with our national labs, universities and the private sector to support key generators of scientific and technological innovation.

Offer cutting edge solutions to the American people.

Strengthen the Energy Department's program and project management across the enterprise to deliver results and value for the American taxpayer.

These are tough challenges and solutions will be neither easy nor quick. They will take time and ingenuity as well as forceful leadership and management. In most cases they will require our steady attention long beyond this Administration.

That is why, if confirmed, I would seek to build bipartisan approaches that put us on a sustainable path toward meeting these critical goals.

Earlier in my career I lived in New Mexico and often reflected on the courage and dedication of the brilliant scientists who came together at Los Alamos in the dark days of the Second World War harnessing the power of the atom to counter the gravest danger to democracy and freedom. They met the challenge of their times.

Today, so must we.

Inspired by their example I hold fast to the wisdom of former Secretary of Defense Bill Perry, who says that the hardest problems are the ones that are most worth working on.

If confirmed, I commit to giving these exceedingly hard problems my all and to doing everything in my power to deliver the strong economy and safe future that our children and grandchildren deserve.

Again, thank you so much for consideration of my nomination. I look forward to answering your questions.

The CHAIR. Thank you for that beautiful presentation this morning.

I can assure you that Senator Murkowski and I hold those values dearly as well from big, large and loving families and parents, who have served many decades in public life. We also believe that our committee has a key role to play in the growth of this economy and the security of our Nation. We talk about it every day. We're really trying to pay, you know, find a path forward in this very difficult and contentious political time.

So let me begin by just asking you a question that is before the committee now.

Earlier this year the Administration proposed placing the mixed oxide fuel fabrication and coal standby while it reevaluates other options for disposing of the plutonium from surplus nuclear warheads. As you know the United States is obligated under an agreement with Russia to dispose of 34 metric tons of plutonium by irradiating it in nuclear reactor. This—the alternative, burying it, in waste isolation pilot plan or in deep war holes would require us to obtain approval from the Russians.

They have recently and I think just in the last 2 weeks signaled they might be willing to agree to a change, but in return we would have to let them repudiate their agreement not to reprocess civilian spent fuel allowing them to produce still more plutonium into abandoned international monitoring. That would not sit well with this chairman nor many members of my committee or the Congress.

So in your view, with national security arms control issues do you believe we can afford to pay the price Russians will demand to let us abandon our MO_X project?

Ms. SHERWOOD-RANDALL. Thank you so much, Senator, for giving the opportunity to discuss this very important issue with you this morning. Senator Scott and I had the chance to discuss it as well in his office.

We are fully committed to meeting the obligations that we have under the agreement reached with Russia. This is a vital national interest to the United States. As you heard from Senator Feinstein and from General Scowcroft, non-proliferation has been a central focus for me. Keeping the Russians on track to deliver on their end of the commitment is a priority goal for this Administration.

The technical liability of the MOX approach is not in question. The only reason that the question has been raised about how to proceed is because of the challenges to the funding stream for MO_X. The requirement that we have is to be responsible stewards

of the taxpayer dollar. That's shared between the executive and legislative branches.

The Secretary of Energy has asked the question can we do this project with the money that is available to us in a budget constrained environment? Is there any other way it could be done meeting the obligations we have and keeping the Russians invested in it as well that would be a more effective use of the taxpayer dollar for the disposal of this plutonium?

Again, we are fully committed to getting the job done. The only question is how to do it most economically.

If there is funding for this project that is sustainable over time, this is our preferred solution. My understanding of the facts involving the discussions that have been ongoing with the Russians on a wide range of nuclear security issues such as this one is that we are on track and that there is no discussion about welching on agreements.

So we continue to work hard to ensure that that element of our cooperation with Russia is insulated from some of the turbulence in other aspects of the relationship because this is, to put it simply, defense by other means for us. We want to ensure that that plutonium is disposed of so that it can never get into the wrong hands and be used against the American people.

The CHAIR. Thank you for making that very clear. I think your statement was crystal clear that the technology is your preferred technology. The process is your preferred, but it's really an issue of funding.

Ms. SHERWOOD-RANDALL. Right.

The CHAIR. So it's up to the members of this committee and the Appropriations Committee to solve the funding problem if we want to help you solve this problem that we share together or this challenge.

Thank you for making that clear.

Let me ask you about clarifying the spent fuel standard. Do you support the current spent fuel standard and does waste isolation pilot plant meet that standard?

Am I asking you the question?

Ms. SHERWOOD-RANDALL. Could you clarify the question for me?

The CHAIR. OK.

Do you support the so-called spent fuel standard which requires the plutonium from weapons to be disposed of in such a way that it is absolutely inaccessible as the plutonium embedded in un-reprocessed civilian spent fuel?

Ms. SHERWOOD-RANDALL. So, Senator, I think I need to take that question for the record. Thank you.

The CHAIR. OK.

I'll go to the next one.

For the first time in 2 decades the United States is producing more oil than it imports. We're producing more natural gas than ever. That is exciting.

I think in many, many aspects, in fact, the industry is estimating and the Department, as you know, has estimated 200 years of a supply of natural gas which is a game changer from an economic standpoint and a national security standpoint.

What are your views about the opportunity for exports for the oil that we are producing here that we're unable to economically use in our refineries because they're just built to hold different kinds, a different type of oil? What are the benefits, do you believe, of appropriate exports for gas?

Ms. SHERWOOD-RANDALL. Thank you, Senator.

As I noted this revolution in our oil and gas development is a major engine for our economic growth, both at home and also around the world. My understanding, based on the briefings I have received thus far, is that the Department of Energy does not have purview over decisions on oil exports. That is a Department of Commerce issue.

On the issue of liquefied natural gas exports, as you know, there is a public interest determination in the Natural Gas Act that requires a very careful review of whether exports would be beneficial to the public interest. There are a number of factors that are looked at. The Department of Energy has recently given conditional approval to 6 proposals for export and final approval for one proposal for export and continues to review additional proposals. Indeed has made a recent proposed amendment to the process for the review of these exports in order to expedite those that would be most ready to bring to market.

So my understanding is that going forward, were I to be confirmed for this job, this possibility of bringing LNG to the export market would be something that I would be involved in and look forward to working with you closely on.

The CHAIR. Just one statement. I'll turn to my ranking member and thank the other members for attending. We'll get to their questions in a minute.

You know, the Natural Gas Act was passed at a time when America was debating or trying to find the right way forward managing a scarcity of supply. Those rules were written at a completely different time with a completely different outlook.

So while we do have to follow the law considering the enormous change that has occurred between 1972 and 2014, it is really time to revisit that law. This committee is revisiting it right now. We think that the world looks very different from this seat today than it did in 1972.

So that is under, you know, debate right here. We're looking for action quite soon.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Madame Chairman.

I would certainly concur with the chairman in terms of the imperative. I think that many of us feel that we have an opportunity that is in front of us now with our abundant energy resources whether it is oil, whether it is natural gas.

I appreciate your acknowledgement that energy is truly a source of not only energy security, but national security. That this nexus here is what propels you to make this next step and accept this nomination that is in front of you today. Recognizing that we have an opportunity to not only help our friends and our allies, as you have suggested, but also help our country from an economic perspective, from a jobs perspective and really from a perspective of greater self-reliance here.

I do think it takes us right back to the chairman's point about our opportunities with our oil and most clearly our natural gas. You've mentioned the process that has been underway at DOE with the licensing and the changes to help expedite it.

What I would like from you this morning is a commitment to us that you will work with us here in the Senate to do everything possible, certainly within the bounds and propriety of the law, to avoid delays as DOE moves forward and finalizes these—this licensing process and continues to approve the LNG export applications.

So what I'm trying to do is make sure that we move forward with this process not take these pauses or time outs which I think will limit our ability to utilize our energy resources, not only to our strategic advantage, but to our energy security advantage here.

Ms. SHERWOOD-RANDALL. Senator, I can commit to you that, if confirmed, I will work closely with you and members of the committee to ensure that there are no untoured delays in review of proposals for export of LNG.

Senator MURKOWSKI. Would you agree that we have a limited timeframe here or a window of opportunity? If we don't build out our LNG export capacity in a timely fashion the rest of the world and those who have these resources, they're not just sitting back and waiting for the United States.

Would you agree that this is an issue where there is an urgency to it? There is a consideration of timeliness?

Ms. SHERWOOD-RANDALL. Senator, I believe it is a very competitive environment. I believe we have an opportunity to lead in it.

Senator MURKOWSKI. I concur.

Let me ask you a question about WIPP. Earlier this week I sent a letter to Secretary Moniz and I was inquiring about some of the recent incidences there at DOE's waste isolation pilot project regarding the underground fire. Then there was an unrelated radiological release. Pretty alarming certainly, as I read those accounts.

Would you be involved in overseeing the investigation and ongoing remedial activities there at WIPP?

Ms. SHERWOOD-RANDALL. Senator, thank you for giving me an opportunity to talk about WIPP because it is such an important part of our overall ability to continue the responsibility we have to dispose safely of our nuclear waste. It is our first operating repository. So it is very important to us that it be operational.

The investigation of what happened this year at WIPP is underway. Of course, I don't know exactly when I will be confirmed.

Senator MURKOWSKI. Right.

Ms. SHERWOOD-RANDALL. But if I am confirmed and it is in a timely fashion I would have responsibility and support of the Secretary for the investigation, for the recovery and reopening process for the WIPP facility.

Then I'd say, most importantly for the work we need to do going forward, in terms of the long term project of identifying appropriate ways to dispose of our high level waste. It's the lessons to be learned.

One of the signature elements of the work that I do and have done for many years is to take the time to review what lessons can be learned from failure and to apply them going forward so that

we can be stronger as we develop new solutions to complex problems.

Senator MURKOWSKI. Madame Chairman, this issue along with others, but this issue is clearly very timely. When we think about these nominees and the responsibilities that you will have, if confirmed, we have Deputy Secretary Poneman, who is leaving.

Ms. SHERWOOD-RANDALL. Yes.

Senator MURKOWSKI. Who is involved with this. We need this investigation to go forward. We need to have these ongoing remedial actions.

So making sure that there is that transition from one to another, I think, particularly with this incident there at WIPP is key.

One last question for you and this regards electric reliability, something that I'm quite concerned about and following very intently.

Do you support GAO's recommendation for a formal documented process between DOE, FERC and EPA to interact with respect to the impact of the EPA rules on reliability?

GAO has come out with this recommendation.

Ms. SHERWOOD-RANDALL. I'm sorry. I am not aware of the GAO report. I am aware of work that is underway on reliability at the Department of Energy which has been stimulated by a series of experiences including, for example, Hurricane Sandy, the Metcalfe incident and others where it has become evident that more effort needs to be applied to ensuring reliability of the grid.

That's actually an element of the Quadrennial Defense Energy Review, Quadrennial Energy Review, that the Department will be presenting in early 2015. Work is underway on that already.

So let me just say that I will be glad to take, for the record, the question on the GAO report which I'm not aware of.

Senator MURKOWSKI. Well just know that this committee follows that very, very closely. Many of us think that we do need to look critically at how all of these agencies interact then with this EPA rule.

Thank you, Ms. Sherwood-Randall.

Ms. SHERWOOD-RANDALL. Thank you.

The CHAIR. Senator Scott.

Senator SCOTT. Thank you, Madame Chairman.

Dr. Sherwood-Randall, good to see you again.

Ms. SHERWOOD-RANDALL. Good morning.

Senator SCOTT. I enjoyed our meeting. I thought it was fascinating. Appreciate you taking the time to come before this committee and giving us an opportunity to continue to flush out one of the more important issues from our perspective, at least, South Carolina, the MO_X facility.

We don't, however, see the facility as a South Carolina centric issue. We really do see it as a national security issue that provides us with an opportunity to continue to move forward in good faith with our Russian counterparts.

The real challenge that I have had great concerns with from this Administration is that it seems like the path that they're on allows for the Russians to hold on to the plutonium that has the equivalent value of about 17,000 warheads. I say that because when we asked a question or when the question was asked by the Chair-

woman about our commitment to the MO_X facility the question—your answer included funding. We must make sure that the funding is there.

But I went back over the last couple months. We realize that the coal standby that the facility was put on was because Congress approved more money than the Administration actually asked for. So the Administration decided to use some of the resources, it appears to me, to put the facility on standby, coal standby, while they looked for other alternatives.

Congress had to come back and encourage the Administration to continue moving forward. Dr. Moniz called me and said that we were going to go ahead and move forward and not put it on coal standby as they had suggested previously.

So my thought is that it's good news if in fact, the real issue is the challenge of the funding stream. But it does appear to me that the real challenge is the commitment to the MO_X facility and not the funding stream itself.

I'd love to hear your thoughts on that. I'll give you a compound question here. Your comments at a March 17th, Council of Foreign Relations event, to me, suggested that not a commitment, a lack of a commitment to MO_X as the only alternative according to the PMDA agreement.

Your comments were that perhaps there was another mode of disposition that can be acceptable to the agreement.

On April the 9th, Dr. Moniz testified that MO_X is required under the PMDA and that was done during a Defense Appropriations Subcommittee.

So my real question is who's right on that one?

Ms. SHERWOOD-RANDALL. Thank you, Senator Scott, for giving me the opportunity to talk again about this issue with you.

I want to underscore that we are fully committed to disposing of the plutonium that we agreed to dispose of in cooperation with Russia. Our main goal in getting this done is to ensure that Russia gets it done. I know we will get it done. It's going to be hard and it's going to be costly. We will get it done.

What this agreement was structured to do was incentivize the Russians to get it done. So we are doing everything in our power to ensure that Russia stays on track. I would note, Russia also has funding challenges with this project. This is complicated stuff to do.

They also are working to figure out their own way forward to achieve the goal.

Senator SCOTT. That's good.

Ms. SHERWOOD-RANDALL. That's so——

Senator SCOTT. Now, unfortunately I only have about 2 minutes left—

Ms. SHERWOOD-RANDALL. OK.

So I'll quickly answer your question.

Senator SCOTT. I wanted to make sure that we get it answered, so.

Ms. SHERWOOD-RANDALL. There is—when I indicated in my council remarks what I did the point is that we have asked the question as an Administration is there any better way to achieve the goal as responsible stewards of the taxpayer dollar.

Senator SCOTT. Let me ask——

Ms. SHERWOOD-RANDALL. That is the only question given the funding projections.

Senator SCOTT. Let me ask a clarifying question.

Ma'am, this is my 2 minutes. I'm going to just ask you to get to the point if you can.

Ms. SHERWOOD-RANDALL. Yes.

Senator SCOTT. Is Dr. Moniz correct then when he stated on April 9th that MOX is the only alternative that is consistent with the agreement?

Ms. SHERWOOD-RANDALL. The agreement is to dispose of——

Senator SCOTT. Could you say yes or no?

Ms. SHERWOOD-RANDALL. OK. The agreement is to dispose of plutonium in this fashion.

Senator SCOTT. Let me ask you.

Ms. SHERWOOD-RANDALL. But the agreement allows for alternatives to be explored.

Senator SCOTT. Let me ask you another question then.

The CHAIR. Senator, please let her answer. Please let her answer.

Senator SCOTT. Wait.

The CHAIR. I'll give you some extra time.

Senator SCOTT. Oh, thank you. OK, great.

The CHAIR. Yeah, I'll give you some extra time.

Go ahead, please answer.

Ms. SHERWOOD-RANDALL. The agreement is worded such that alternatives can be discussed by both parties if both parties agree to discuss them.

Senator SCOTT. I'll just quote from the Chief Research Scientist as well as a Senior Research Scientist on the Russian side from the Center for Arms Control. They said, "It seems that if U.S. side chooses an alternative to plutonium disposition method preservation of the international monitoring provision in this agreement will not be a priority for Russia."

Ms. SHERWOOD-RANDALL. We should not take any steps that diminish the likelihood of Russia fulfilling its obligations. We have an obligation to fulfill. We as a Nation have a responsibility to figure out how to get it done in an affordable manner.

I, if confirmed, look forward to working with this committee and with the appropriators to figure out a way to get this project funded.

Senator SCOTT. One final quote, just from the CRS, According the 2010 protocol amending the PMDA the United States would have to obtain written agreement with Russia to implement any alternative to eradicating the plutonium in nuclear reactors." Sorry.

Ms. SHERWOOD-RANDALL. That is correct, Senator.

Senator SCOTT. My chief concern is that as we look for, as we talked in my office, that science isn't finished yet. The fact is that according to where we are today the only alternative is the MO_X facility. Congress seems to have a greater, stronger commitment to the agreement and funding the agreement than the Administration is willing to ask.

I know that you are not the Administration in and of itself. So I realize that all of this cannot be borne by you. I do think it's very important for me to highlight that perhaps the only known sci-

entific way of disposing of the weapons grade plutonium being MO_X for the Administration not to have the commitment to ask for the funding necessary seems to me to be disingenuous.

Thank you.

Ms. SHERWOOD-RANDALL. Thank you, Senator.

Senator SCOTT. Yes, ma'am.

Ms. SHERWOOD-RANDALL. I look forward to working with you to find a way forward on this, if confirmed.

Senator SCOTT. Thank you.

The CHAIR. Thank you.

It is now Senator Portman.

Senator PORTMAN. Thank you, Madame Chair.

Thank you, Dr. Sherwood-Randall, for coming before us today and for our meeting on Tuesday. I want to start by saying that there are 3 young men sitting behind you who are much better behaved than Senator Hoeven is or I am today.

[Laughter.]

The CHAIR. Can I say that the chairman has noticed that? Thank you, Senator.

Senator PORTMAN. Yes. I don't know why they're being so respectful and polite. But whatever you've taught them to do we'd like to know about it.

So I want to talk to you about an issue, you know, Senator Scott just talked about a big issue for South Carolina. I'll talk about a huge one for Ohio.

We just got word that nearly 700 workers employed at the cleanup of the Portsmouth Gaseous Diffusion plant in Piketon, Ohio are going to be laid off. This is a big deal. It's about one third of our total work force there, about 1900 people.

This is a cleanup that has to occur, you know? It's something that everyone agrees is necessary. It's the old technology with regard to enriched uranium. Congress has specifically charged you with this responsibility. In fact since 2005 the Office of Environmental Management has been overseeing this cleanup at Piketon.

I'll quote you from a letter in 2008 that went to Governor Ted Strickland. It was from President Obama. He said, "I will work with Congress to provide adequate funding and will direct the Energy Department to commence decontamination and decommissioning activities of those facilities that are no longer needed and maximize the employment of site workers to achieve this end. The failure to clean up the site quickly will delay future economic development opportunities and only add additional mortgage costs and pose undue environmental risks."

Said. As you and I talked, I worked very hard on the Frenal cleanup years ago. With Senator Glenn we expedited that cleanup saving the taxpayers, we think, between $3 and $4 billion.

So bottom line is we have to clean it up. We should clean it up. The quicker we clean it up the lower the cost is going to be to the taxpayer and the safer it's going to be for folks in Southern Ohio, obviously. Also the quicker we'll be able to move to reindustrialization of that site as the President talked about in his commitment he made to Governor Strickland.

It also is very important, economically, for our region. These 700 jobs are good paying jobs. We lose these folks it's going to be tough

to be able to bring them back quickly because they will find other work and it will be devastating for the, not just Piketon, but that whole 6 or 7 county area in Southern Ohio.

So my question to you is how can we get this commitment the President has made to be one that actually results in doing what the President said in 2009? Do you emit a secretarial commitment to the communities saying that the agency was accelerating the cleanup in an effort to jump start the local economy and create jobs?

Three hundred and three million was appropriated to initiate the cleanup. There was additional funds provided. Over the years the Administration has turned to selling or bartering uranium out of the Nation's uranium stockpile to help fund the cleanup effort. Over the years DOE has become even more reliant on these barter sales to maintain the schedule to the point where uranium sales now fund 70 percent of the cleanup.

I will say when we had our budget committee hearing in 2012 I discussed this with Secretary Chu. The President's budget at that time contained a 33 percent cut to base appropriations for cleanup funding at Piketon and resulted in a greater reliance on barter sales. I expressed my concern about that.

Yet, we don't see a plan from the Administration short of more barter sales which apparently the Administration is also now believes is problematic. So I will tell you part of my frustration is that Ohio was given no advanced notice of this. That the war notices were going to go out.

The first my office heard about it was actually from workers at the site. From my conversations with Appropriations Committees in the House and the Senate they weren't given any warning either.

So I would guess my first question to you is if these layoffs occur, you know, there's going to be a significant economic hit to our region. If you're confirmed I want to know whether you're going to work with us to maintain this accelerated cleanup schedule at the Piketonsite.

Ms. SHERWOOD-RANDALL. Thank you, Senator Portman. I appreciated the opportunity to talk about this issue with you in your office as well.

I would just start by broadly noting that we, as a Nation, have an obligation to cleaning up the legacy of the work that was done by communities all across this country in support of the nuclear program that has kept our country safe. There are many sites in the DOE portfolio that face very tough challenges. Of course, you know them well in this committee and Washington State, in Idaho, in other places.

With regard to the Portsmouth facility you observed that we have used uranium barter to fund the work at this site and that the uranium prices have dropped significantly which is presenting a challenge in the funding stream for this project.

What I would commit to you, if confirmed, is that I would work closely with you to identify a way forward that acknowledges the important work of this community and that gets the job done as efficiently as possible.

I would also note it would be my hope that, if confirmed, I would be able to have such an open dialog with members of the committee that if we anticipate challenges such as you've described that will present hardship for your work force in your State that I would be able to talk with you in advance so that there are—there is some warning when something like this will happen.

Senator PORTMAN. I appreciate the fact that you are willing to work on the communication. I think that's important. But specifically, if confirmed, would you support the barter program while also working with us to find a permanent and more stable funding stream for the cleanup at Piketon?

Ms. SHERWOOD-RANDALL. I do support the barter program, Senator. If the barter program is not sufficient for funding our responsibility to complete the project we will need to work together to identify additional sources of funding.

Senator PORTMAN. Thank you, madame chair. My see my time is expired. Just one quick point if I could?

I received a letter on Tuesday from Herman Potter, the President of Local USW Chapter where—who I met with also last week where he expressed his concern for the safety of his workers if these layoffs are allowed to occur.

I would like to request that that letter be submitted for the record.

I'd also like to request that the President's letter to Senator—Governor Strickland be submitted for the record.

The CHAIR. Without objection both documents will be submitted.

Senator Risch.

Senator RISCH. Thank you, madame chairman.

Dr. Randall, first of all, thank you for coming and meeting with me. Obviously, you've already identified that we have some issues in Idaho that are important as far as the DOE is concerned.

You know, an observation first. After looking at what you're responsible for, I mean, of all the people who come before this committee and for that matter, the other committees I sit on, you've probably got the largest and most diverse and certainly one of the most important portfolios of any appointee in the Administration. So I wish you well in that regard. I hope you've got good people working for you in each of those silos because each one is important somewhere.

I want to start with an item that the ranking member made reference to. That is the WIPP issue. As you and I talked about, Idaho operates the advanced mixed waste treatment plant which is part of the facilities for cleanup at the Idaho National Laboratory.

Unlike a lot of States, Idaho took the bull by the horns decades ago and said look, we've got a mess here. It wasn't done by bad people. It was done by people who did things differently than we do today. We want to change that.

So we negotiated an agreement with the DOE, the—all of us who have been Governor have been stewards of that agreement. We stood shoulder to shoulder, Republicans and Democrats, to see that the agreement was properly administered.

We have a couple of challenges there, not the least of which, we all know that we have a repository for higher level nuclear waste. It's on the books. It's the law.

The courts have said so. But the Administration won't use it.That, of course, is Yucca Mountain.

At some point in time that or something is going to have to be used. In the meantime, of course, we also have for lower level waste, the WIPP facility that's been referred to. The WIPP facility has been very important to the advanced waste treatment plant that we have in Idaho because that's where the shipments go.

Since the fire and since the incident there we, in Idaho, have had to do things differently because we can't ship. But we in Idaho know how to do these things. We've got a great contractor there. I've met with him. They have in place a plan for after treatment temporary storage facility. We can only do this for a relatively short period of time.

I want to underscore to you how important it is that we get the WIPP facility back up and operating. I know the Federal Government isn't notorious for speed, but I want to urge you to do all you can to get WIPP back up and running because it will do—it will go a long ways for the DOE meeting its commitments in Idaho and other places for cleanup.

So I want to underscore that with you. I know you and I have talked about that. I'm looking forward to seeing how rapidly you could make progress to get WIPP up and running.

Like I said, we've, we have, made arrangements in Idaho. But it is temporary. We need WIPP up and running.

I'm running short on time. So I want to talk on—about just one more thing that is incredibly important to America, probably the most important thing you do. That is you are the custodian and you are the person responsible for seeing that our atomic warheads, nuclear warheads work when in the F we all pray that that day never comes that the trigger has to be pulled.

We need the modernization program moved forward aggressively. I was one of the people who was an opponent of New START. We went to the Floor and had a robust debate on it. We lost. New START treaty was ratified.

I would tell you today that that wouldn't happen given the situation with the Russians today. But just as importantly the President picked up a lot of votes by putting out a letter that said that he had as a high priority the modernization program for nuclear weapons. In fact to quote him he said, "Pursue these programs and capabilities he would pursue these programs and capabilities for as long as I am President."

After that debate and after that letter the thing kind of got pushed to the side. I have to tell you that I am not satisfied with the progress that we're making there. I think there's a lot of other Senators who are not satisfied.

In your capacity I would urge you to go to the laboratories. To sit down with them. To see what needs to be done.

I didn't ask you, have you been to the laboratories in New Mexico?

Ms. SHERWOOD-RANDALL. I have, sir.

Senator RISCH. OK.

Then you are already aware of the challenges that they face, particularly when we don't do testing anymore. Having said that, I'm confident that our American ingenuity has these warheads ready

to go when and if they're necessary, but it's going to be up to you to see that that modernization program continues. We all know that they are part of our strategic plan to keep America safe. They're critical, really, to keeping America safe. This program is in your hands.

I wish you well. I look forward to hearing that report from you.

My time is up. Thank you, madame chair.

The CHAIR. Thank you, Senator Risch.

Ms. SHERWOOD-RANDALL. Thank you, Senator.

The CHAIR. Senator Hoeven.

Senator HOEVEN. Thank you, Madame Chair.

Dr. Sherwood-Randall, thanks for coming. I think it is pretty cool that your family is here. I can say it looks like a pretty impressive bunch, too.

I'm going to actually, firstly I do want to associate myself with some of the comments made by Senator Risch.

I also don't support the New START treaty. Also am concerned about making sure that we're modernizing our nuclear force, so the ICBMs, as well as air launch cruise missile and the new versions of that standoff capability.

We've got to—we have to be dedicated to that as well as the nuclear research at the labs because the defensive forces are getting more and more sophisticated. We've got to maintain our technological advantage. So it's very important.

I know that's an important part of your portfolio. Obviously we have to work in the Congress to make sure those things get funded as well. But it really is a priority and it's about modernizing and making sure that we continue to have the technological advantage over everybody. It's vitally important for our soldiers and for the defense of our country.

I want to actually switch gears with you a little bit. Now this may have been asked by either the Chairwoman or the ranking member. So if it has been I apologize. But, you know, then you would have gotten a chance, a little practice, in answering it already.

But my question is do you approve the Keystone? Do you support approving the Keystone XL pipeline and why or why not?

Ms. SHERWOOD-RANDALL. Senator, first of all I'm sorry you and I didn't have an opportunity to meet. But I look forward, if confirmed, to having that opportunity in the future.

I do want to make one observation about what you said about New START.

Senator HOEVEN. Please.

Ms. SHERWOOD-RANDALL. The President fully abides by what he said, what he committed to Congress in that letter in December 2010. I actually have been charged with the responsibility for that in my current role at the White House.

I have been working both to ensure the implementation of our new nuclear employment guidance.

Have been working on our efforts to modernize the warheads that need to be modernized in order to ensure that they are viable far out into the future. These are the life extension programs that are so costly.

Have been working on our naval nuclear reactors program and on the challenges of infrastructure recapitalization for the entire nuclear enterprise that are so critical.

Let me note, you mentioned the importance of Congress providing the funding for this effort. The big difficulty we face in this arena in fulfilling these commitments is the funding streams. These projects are huge projects. The infrastructure is aging.

In order to do what we need to do, to keep this mission viable, we need sustainable funding far out into the future. I am deeply committed to this mission and look forward to working closely with you, if confirmed.

Senator HOEVEN. Doctor, that's accurate. But understand that we need help convincing colleagues in Congress to support that funding. So part of doing just what you say is you weighing in, particularly on your side of the aisle, and encouraging members to support that.

Ms. SHERWOOD-RANDALL. I would look forward that, if I'm confirmed. I suspect that this issue will be one that will be before us. I would be eager to be involved.

On the Keystone issue, as I have been briefed, the Department of Energy does not have the authority to decide about Keystone.

But I would like to note what I am excited about being involved in, if I'm confirmed at the Department of Energy which is the role that DOE plays in innovation in this space, in bringing to market for the American consumer many options for supply of energy. The work that is being done across the labs to develop new possibilities, the investment that the Department is making in its grant program and in its loan program in this space, in fossil, in clean energy, in renewables, in new kinds of energy that are just being developed, is so exciting because that will ensure that we have the technology to support a low carbon future and that our consumers are given access to energy at the lowest possible cost.

As I noted at the outset, that we can continue to lead the world in this space as well as others.

Senator HOEVEN. Do you support more LNG export?

Ms. SHERWOOD-RANDALL. We had the opportunity, I think, to talk a little on this before you came in. Let me say that I understand that the Department of Energy has the review process for consideration of proposals for LNG exports. That the Department has just approved 6 conditional proposals and one final proposal for exports.

So that's the first. That's the tip of the spear in moving out to export LNG in an environment in which we finally have enough that we can think about exporting it.

Senator Landrieu has noted her eagerness to identify ways that would enable us to move expeditiously and within the bounds of what is legally possible. The review process that is necessary to ensure that we're meeting all the national, the public interest, requirements of the Natural Gas Act. I am a supporter of this process that will enable us to be competitive abroad as well as to support the American consumer at home.

Senator HOEVEN. Who leads energy policy, the Department of Energy or the EPA?

Ms. SHERWOOD-RANDALL. There are, as you know, shared responsibilities across the government for varied aspects of energy policy. The energy policy is set by a group that includes, of course, the President, the Secretary of Energy, the Secretary of Commerce, the Head of the EPA and others.

Each agency has distinct responsibilities.

Senator HOEVEN. Madame Chair, I have some more questions. Should I wait for the next round or?

The CHAIR. We weren't planning to have another round. But let me ask one question and why don't you confer with the ranking member and if we can provide some additional time, we will. We can also submit those to the record.

But let me follow up here with a question because being competitive in a low carbon future is an interesting phrase. Some people want that lower than others. But everybody admits we'll be there to some degree. The question is the degree.

But one of the low carbon producers in our country is nuclear. Zero carbon producer. But the nuclear industry is under a serious challenge right now.

We've got 103 nuclear power plants. We have the serious issue of disposal of waste that's before our committee and has been pending before this committee long before I became chair 4 months ago. So I'm sorry I haven't been able to figure that out in the- months I've been here since it's been pending before this committee for about 20 years.

But set apart from that, what can you say to us about with the advances in gas that's causing the market pressures on nuclear and cost associated with, you know, the safe nuclear, post, you know, the accident in Japan. Can you give us one or 2 minutes and I'm going to follow up with a more detailed question about some possible paths forward to have a robust nuclear industry which, I think, is so important for our reliability, our base fuel and fits in with, I think, with your mission of advancing science and technology and with this Administration's vision of a low carbon future.

Ms. SHERWOOD-RANDALL. Senator, thank you for giving me the opportunity to answer this question.

As you know we have embraced an all of the above strategy and nuclear has an important place in that strategy. The Administration has provided, through a loan guarantee of $6.5 billion, funding for the first nuclear power plant to be built in the United States in several decades. That's happening in Georgia now.

There has also been an approval recently for funding for the design and R and D for 2 small modular reactors. Again, with an intent to develop the technology so that we can generate more energy using nuclear power.

If confirmed, as you noted, I would have the opportunity to work closely with the labs and with industry to advance this objective.

The CHAIR. I think that's very important. I'll submit some more questions to the record. But thank you.

The CHAIR. Senator Hoeven, would you have additional questions?

Senator HOEVEN. Just one or 2 and it follows the line of questioning I asked you before.

I asked you about Keystone. You said that EPA doesn't make that decision, but we're in the 6th year of trying to get a permit, trying to get a decision on a pipeline that would bring oil from Canada and my State and Montana to refineries in the U.S. verses getting it from the Middle East.

We've got LNG bills. Both the Chairman of the Energy Committee and the ranking member have LNG bills. I'm on a number of LNG bills that would enable us to export natural gas to our allies in Europe and the Ukraine which would be a response to the aggression we've seen from Russia and Vladimir Putin in Ukraine.

But also in States like mine where we're flaring off gas. We produce 30 trillion cubic feet a year of natural gas. We consume 26 trillion. So we end up flaring off gas.

We need markets. It creates jobs. It creates economic activity and we have bills that we're not able to advance.

After the Congress refused to implement cap and trade or to pass cap and trade, the EPA now has come forward at the Administration's direction and proposed regulations that will shut down coal plants because they can't meet the greenhouse gas standards that are being imposed under these proposed regs for new plants and for existing plants.

So, go back to my earlier question. In this Administration who leads energy policy, the Department of Energy or the EPA? How do you, I mean, and your answer before was well, they both have a role.

I understand they both have a role.

Ms. SHERWOOD-RANDALL. So——

Senator HOEVEN. Who is leading this energy policy because you see on the one end you support an all of the above approach, but you also support the President's climate change initiatives. But in all these cases you're preventing development of an all of the above approach.

So, in this Administration how are you going to have an impact? Who leads energy policy and how do you intend to weigh in on all of these important issues?

Ms. SHERWOOD-RANDALL. Thank you, Senator.

I am before you as the nominee to be Deputy Secretary of Energy. So let me talk about what it is that energy brings to the table to respond to your question.

The Energy Department——

Senator HOEVEN. I——

Ms. SHERWOOD-RANDALL. Offers——

Senator HOEVEN. Excuse me, Doctor.

Look, what I'm looking for is you've got all these things that will create more energy for this country. All of the above means all of the above. To say all of the above promotes some and prevent others is not all of the above.

So I want an—so I would ask for a response that is responsive to that issue, not just a general statement that yes, we all have to, you know, work together.

Ms. SHERWOOD-RANDALL. I——

The CHAIR. Would you give her a chance to respond, please, Senator?

Senator HOEVEN. Yes, ma'am. Madame Chairman, I think I've been pretty patient in that regard, but absolutely.

Ms. SHERWOOD-RANDALL. The Department of Energy can offer to the industries that you're describing opportunities to develop technology that will enable them to remain competitive in a low carbon economy. So this Administration has invested a substantial amount, $6 billion in grants and newly proposed $8 billion in loans to the fossil community to develop new technologies. So we're funding carbon capture work and actually there are 2 plants that are now implementing this new technology to make it possible to bring to market. So that, all of the above is real.

I look forward, if confirmed, to working with you to ensure that the concerns that you have in this regard are reflected in the policies we're pursuing.

What DOE brings to the table is options. We're actually the good guys in this regard because we can support innovative technology that keeps us competitive.

Senator HOEVEN. That's good because there's a difference. For example, if you take coal. There's a difference between technically feasible and commercially viable.

So you can impose a regulation or EPA can impose a regulation and say, the technology is technically feasible to achieve this standard. But if it's not commercially viable that company goes out of business.

Ms. SHERWOOD-RANDALL. Right.

Senator HOEVEN. So that's why I go back to this issue. If you're going to truly have an all of the above energy policy, you've got to be an enabler. To just say, oh, it works and let these regulations be imposed results in these industries being shut down. That's not an all of the above policy.

If you're not going to help break that deadlock or solve that problem in DOE who do we turn to for assistance in that effort?

Ms. SHERWOOD-RANDALL. Senator, if confirmed, I hope to be that very enabler.

Senator HOEVEN. Thank you.

The CHAIR. Thank you, Senators, for your excellent questions.

Thank you for your excellent testimony.

I think that concludes our hearing for today. If you and your family will join me in the back for some pictures, we'd love to have you.

Ms. SHERWOOD-RANDALL. Thank you.

The CHAIR. Our meeting is adjourned. The record will stay open for 2 weeks. Additional questions will be submitted. Please expect those. we would like a timely response which I'm sure you will provide.

The CHAIR. Meeting adjourned.

Thank you.

[Whereupon, at 11:25 a.m. the hearing was adjourned.]

APPENDIX

RESPONSES TO ADDITIONAL QUESTIONS

RESPONSE OF ELIZABETH SHERWOOD-RANDALL TO QUESTION FROM SENATOR LANDRIEU

Question 1. In 1992, General Brent Scowcroft asked the Committee on International Security and Arms Control of the National Academy of Sciences for a full-scale study of the options for managing and disposing of surplus weapons plutonium. In the resulting study, the Committee recommended that weapons plutonium be disposed of in a manner that would meet what it called the "spent fuel standard." The Committee defined the "spent fuel standard" as making "plutonium roughly as inaccessible for weapons use as the . . . plutonium that exists in spent fuel from commercial reactors." National Academy of Sciences, Management and Disposition of Excess Weapons Plutonium 12 (1994). See also National Academy of Sciences, Management and Disposition of Excess Weapons Plutonium: Reactor-Related Options 2-3 (1995); National Academy of Sciences, The Spent Fuel Standard for Disposition of Excess Weapons Plutonium: Application to Current DOE Options 1 (2000).

The Department of Energy used the Academy's report "as the starting point for evaluating alternatives regarding the long-term storage and disposition of plutonium" in its programmatic environmental impact statement for storage and disposition of weapons plutonium. 59 Fed. Reg. 31985, 31988 (June 21, 1994). In 1997, the Secretary decided that surplus plutonium should be disposed of by converting it into "forms that meet the Spent Fuel Standard, thereby providing evidence of irreversible disarmament and setting a model for proliferation resistance." 62 Fed. Reg. 3014, 3016 (Jan. 21, 1997) (Record of Decision on Final Programmatic EIS). In addition, the Secretary decided to fabricate surplus weapons plutonium into mixed oxide fuel for irradiation in light-water reactors. 65 Fed. Reg. at 3029. The Secretary has concluded that use of plutonium in mixed oxide fuel meets the Spent Fuel Standard. E.g., 65 Fed. Reg. 1608, 1618 (Jan. 11, 2000).

a. Do you agree that the fundamental purpose of the Department's plutonium disposition program is to ensure that surplus weapons plutonium is never again used for nuclear weapons and that the Spent Fuel Standard is the appropriate standard against which plutonium disposition options should be evaluated?

Answer. Yes, I agree that the fundamental purpose of the Administration's plutonium disposition program is to ensure that surplus weapons plutonium is never used again. If confirmed, I intend to work with Secretary Moniz to fulfill the President's commitment to the U.S. Plutonium Disposition mission, consistent with our obligations under the U.S.-Russia Plutonium Management and Disposition Agreement.

b. Do you agree that fabricating plutonium into mixed oxide fuel and irradiating it reactors meets the Spent Fuel Standard?

Answer. Yes, I agree fabricating plutonium into mixed oxide fuel and irradiating it in reactors is consistent with the definition of the Spent Fuel Standard. c. Would burial of plutonium in the Waste Isolation Pilot Plant meet the Spent Fuel Standard? Management and Disposition of Excess Weapons Plutonium 12 (1994). Answer: I am aware that one of the alternative excess plutonium disposition pathways currently being evaluated by the Department would involve downblending and disposing of plutonium in a repository. While this option would not meet the spent fuel standard, the 1994 report on the Management and Disposition of Excess Weapon Plutonium discussed other ways to minimize accessibility of the plutonium by creating physical, chemical, or radiological barriers. The downblending and disposal option would minimize accessibility through both physical and chemical barriers. Article III of the U.S.-Russia Plutonium Management and Disposition Agreement states that disposition can also be "any other methods that may be agreed by the Parties in writing."

RESPONSES OF ELIZABETH SHERWOOD-RANDALL TO QUESTIONS FROM SENATOR HEINRICH

Question 1. At a hearing in April 2013, I asked Deputy Secretary Poneman the status of appointing a Technology Transfer Coordinator as required by section 1001(a) of EPAct05. Mr. Ponemen responded for the record that the position was vacant and would be addressed after a new Secretary was confirmed. It's now more than a year later and the position remains vacant. Given the importance of technology transfer to economic development, and the interest in accelerating technology transfer from so many members of Congress, I find the continued vacancy unacceptable.

What is the status of appointing a Technology Transfer Coordinator?

If confirmed, will you make the appointment of a coordinator a priority and will you work to enhance technology transfer efforts at DOE's laboratories?

Answer. I understand that the Department of Energy and its laboratories have a long tradition of working with academia and the private sector on research and technology development efforts that have generated many scientific advances, and led to the creation of new U.S. businesses, jobs, and industries. It has been a priority of the Administration to help strengthen U.S. competitiveness by speeding up the transfer of Federal research and development from the laboratory to the marketplace, and the appointment of a permanent Technology Transfer Coordinator is an important element of that equation.

It is my understanding that the Department is actively looking to fill the role of Technology Transfer Coordinator. In the interim, Secretary Moniz has asked Dr. Ellen Williams to work as a Senior Advisor in his office on tech transfer issues. If confirmed, I will make the appointment of a coordinator a priority and will work to enhance technology transfer efforts at DOE laboratories.

Question 2. I understand the NNSA has directed Los Alamos National Laboratory and other NNSA facilities to use the Supply Chain Management Center, or SCMC, for commodity purchases. A number of local officials in Northern New Mexico have expressed a concern that the use of SCMC will bypass the normal local competitive RFP process and drive purchases away from local and regional contractors to out-of-state firms. They indicate the switch to the SCMC has already had a negative impact on local small businesses that have a long and successful history of contracting with LANL.

Will you ensure the SCMC system provides small contractors equal access to participate in a fair and equitable manner?

Will you work to find ways for NNSA to assist local small contractors in Northern New Mexico in becoming approved SCMC vendors?

Answer. I believe that small businesses and contractors are important to our national security enterprise, including NNSA. While I am not yet fully briefed on the details of the Supply Chain Management Center, I understand from our conversation in your office last week that it is important to you to ensure that small businesses and contractors have opportunities to compete. I am familiar with Northern New Mexico from my time there earlier in my career. I appreciated the opportunity to discuss this with you when we met prior to my confirmation hearing and, if confirmed, I look forward to learning more about the Supply Chain Management Center and working with you on this issue.

RESPONSES OF ELIZABETH SHERWOOD-RANDALL TO QUESTIONS FROM SENATOR WYDEN

Question 1. The clean-up of Hanford is one of the most complex chemistry problems in the world and DOE has been working, unsuccessfully for decades to engineer treatment technologies for hundreds of millions of gallons of many different kinds of radioactive waste stretching back to the Manhattan Project. I have raised this issue with Secretary Moniz, but to date I still do not see any substantive change in management approach or direction. Hanford contractor personnel are being required to sign non-disclosure agreements to prevent them from disclosing problems in the future. I am including an example of such an agreement along with these questions. I understand that DOE personnel are being told to that they too will be punished if they disclose information.

a) Will you please report back the extent to which these NDA's are being required both by DOE and by its contractors?

Answer. I appreciated our opportunity to discuss this issue when we met in your office prior to my confirmation hearing. It is my understanding that non-disclosure agreements are used to ensure that sensitive, non-public information such as personally identifiable information and business-sensitive information is protected by Federal and contractor employees. I understand that the use of a non-disclosure

agreement does not supersede the right and requirement of Federal or contractor employees to raise concerns. Further, I recognize your concern that employees may perceive contractors are using non-disclosure agreements to inhibit whistleblowers from raising issues. If confirmed, I will look into this issue in greater depth and consult with you once I have been fully briefed.

b) How can DOE support transparency and provide an environment safe for employees to report concerns at the same time that it binds them legally to silence?

Answer. It is my understanding that the use of a non-disclosure agreement does not supersede the right and requirement of Federal or contractor employees to raise concerns. I strongly believe that all workers must feel confident in their ability to ask questions and express concerns. If confirmed, I will work to further efforts that are underway at the Department of Energy to reaffirm a culture of transparency and accountability

c) What will you do to make sure that both contractors and Federal employees are not intimidated and punished for raising safety and management problems?

Answer. I believe that all workers must feel confident in their ability to ask questions and express concerns. I understand that the Department of Energy is currently undertaking efforts to 5 ensure that this is the case. If confirmed, I look forward to learning about the efforts currently underway and taking additional steps to enhance them if necessary.

Question 2. Renewable energy technologies such as hydrokinetic energy and geothermal energy show huge promise for putting clean energy on the grid, and are important industries in my state of Oregon. These renewables continue to be underfunded in the DOE's budget requests. In fact, the Marine Hydrokinetic Program was one of the only programs to be cut back in the EERE FY15 budget. Will you commit to work with me to ensure that the level of budget support for these renewables within DOE matches both their continued importance to my state and clean energy broadly?

Answer. Although I am not yet familiar with the budget history of marine hydrokinetic activities, it is my understanding that the Department is committed to advancing marine hydrokinetic research, development and demonstration. Further, I believe these clean energy technologies can play an important role in the Administration's "all-of-the-above" energy strategy. If confirmed, I commit to working with you on this important issue.

RESPONSES OF ELIZABETH SHERWOOD-RANDALL TO QUESTIONS FROM SENATOR MANCHIN

Question 1. Doctor, the President has pledged that his energy plan will recognize the need for an "all-of-the-above" strategy. How do you see coal fitting in to this strategy?

Answer. I believe that coal will remain a critical part of our fuel mix for decades to come. As part of the Administration's "all-of-the-above" energy strategy, the Department of Energy is working to make sure that coal remains a competitive energy source in a low carbon future. For example, I strongly agree with the Administration's "all-of-the-above strategy" and, if confirmed, I will work hard to deliver on the commitment to advance coal technology as part of a low carbon future.

Question 2. Doctor, as we've discussed, coal will continue to be used in this country and abroad in great volume for the foreseeable future.

The Department of Energy currently has $8 billion in loan guarantees available for advanced fossil projects. These guarantees were first authorized by Congress in 2005 but have not yet been provided to applicants. Can you please assure me that you will work hard to make these guarantees available for coal plant efficiency projects so that our country will lead the world in developing technology that allows for the continued use of coal while simultaneously reducing emissions?

Answer. I fully support the goal of making guarantees available for advanced fossil energy projects, including coal plant efficiency projects so that our country will lead the world in developing technology that allows for the continued use of coal while simultaneously reducing emissions. As I understand it, to date no loan guarantees have been finalized under the available authority for fossil energy projects. As a result, in December 2013 the Department put forth a new solicitation for advanced fossil energy projects in order to find innovative fossil energy projects to finance. I understand that the Department is now reviewing applications received through that solicitation. If confirmed, I will make sure the Department is doing everything it can to make this program a success, consistent with our goal of ensuring that coal will remain a competitive energy source in a low carbon future.

Question 3. Similarly, the Department's Office of Fossil Energy has roughly $1.7 billion in unspent advanced fossil grant funds that it has had since 2009. Will you

work with me to make sure these funds are used wisely and that research universities are included in the administration of chosen projects?

Answer. While I have not yet been briefed on any outstanding balances in the Office of Fossil Energy budget, if confirmed, I would be pleased to work with you to ensure the fossil energy budget is used wisely. This is consistent with the Administration goal of ensuring that fossil energy remains a competitive part of the Nation's energy mix in a low carbon future.

Question 4. Secondly, I'd like to ask your help on an issue with which I know you are quite familiar. Russia is proceeding in its efforts to cut off natural gas shipments to Ukraine. Not coincidentally, the Ukrainian government has announced that its top priority is to reduce its dependence on imported natural gas by 30 percent. It makes sense for the United States, in this time of crisis, to provide Ukraine with the technology to efficiently burn their own domestically-produced coal. I'd like to get your commitment to work with me to ensure we use advanced American fossil energy technology and our international financing mechanisms, including the Export-Import Bank and the Overseas Private Investment Corporation (OPIC), to provide the Ukrainians with a solution for their energy security. May I have your commitment to help with my efforts?

Answer. I share your concerns about the energy security of our European allies and partners that have become more salient as a consequence of the crisis in Ukraine. G7 leaders have tasked their Energy ministers with taking steps to improve our collective energy security, and as part of that I understand the Department of Energy is working with its counterparts on many facets of energy security in Europe, including promoting more effective use of their own energy resources. While I am not yet fully briefed on the ways that the Export-Import Bank and OPIC will fit into that strategy, if confirmed I will be pleased to work with you on this important issue.

Question 5. NETL, which is in my state, remains a vital resource for our nation in ensuring that we continue to utilize coal as we work to reduce emissions from our nation's electricity generation system. I'd like to invite you to West Virginia to see NETL with me. Would you be willing to consider my invitation?

Answer. Yes. If confirmed, I would be very pleased to visit NETL with you, which is an important resource to our Nation in conducting clean coal research and development.

Question 6. Coal is a critical energy source for our Nation. Coal is also a vital part of the economies of a number of states, including West Virginia. NETL has played a key role in identifying, developing and deploying numerous technologies that have increased efficiencies and reduced environmental concerns from coal-fired power plants. Will you support NETL's role in coal research and will you work to reverse the trend of diminished budgets and diminished support for NETL coal programs?

Answer. Yes. I believe that NETL plays an indispensable role in clean coal research and development. While current budgetary constraints present funding challenges across the the Department of Energy complex, if confirmed, I will work to ensure that NETL receives sufficient support for its core mission of advancing fossil energy technology.

Question 7. Would you be receptive to increasing the Carbon Capture and Sequestration (CCS) budget and do you see benefit in increasing the budget for coal program areas outside of CCS?

Answer. I understand that in addition to the annual budget for CCS research in the Office of Fossil Energy, a significant investment in CCS technology was made as part of the Recovery Act and that the projects funded under the Recovery Act are helping to significantly advance CCS technology. If confirmed, I look forward to working with you to make sure that adequate resources are dedicated to advancing clean coal technologies.

Question 8. Would you also support a robust suite of research programs into other coal related technologies including advanced power efficiencies, combustion research, gasification, fuel cells, and coal-to-liquids?

Answer. Yes. I understand that the Office of Fossil Energy is working on those coal related technologies in addition to the work being conducted on CCS. This includes work on advanced power efficiencies, combustion research—including potentially transformational technologies such as oxy-combustion and chemical looping- and gasification. I understand that the Crosscutting Research Program in the Office of Fossil Energy also includes a number of R&D projects on coal related technologies that can increase efficiencies such as advanced materials, sensors and controls. If confirmed, I will be committed to supporting a robust portfolio of coal related technologies that can ensure the role of coal in a low-carbon future.

Question 9. As you know, I have a keen interest in NETL, Fossil Energy's Award Winning National Laboratory. NETL is at the forefront of research to develop and

utilize fossil energy in an efficient and environmentally responsible fashion. NETL has been extremely successful, with scores of R&D 100 awards in the last decade, and numerous Federal Laboratory Consortium awards for Excellence in Technology Transfer. In short, NETL is superb at identifying and developing new technologies, and getting those technologies to the marketplace. In keeping with the historic structure of NETL and the Secretarial Designation declaring NETL a National Laboratory, NETL has continued to operate as a Government-owned, Government-operated (GO-GO) facility. Although uncommon within DOE, NETL's operating model is common throughout much of the Government. Being a GO-GO gives NETL.an advantage) . . . If confirmed would you support the current GO-GO structure of NETL?

Answer. Yes. I recognize the uniqueness of NETL's government-owned, government-operated structure. If, confirmed I will support its current structure.

Question 10. Given that any attempts to privatize NETL would significantly disrupt NETL's ability to carry out its critical missions as well as significantly disrupt the workforce, if confirmed, would you oppose efforts to privatize NETL's Federal workforce?

Answer. I am not aware of any efforts to privatize NETL's workforce, and, if confirmed, I would support maintaining NETL's current status.

Question 11. NETL has traditionally been a key player in the performance of a broad range of DOE programs, most recently Energy Efficiency and Renewable Energy (EE/RE) and the Office of Electricity Delivery and Energy Reliability (OE). Would you support the continued efforts of NETL in accomplishing these key aspects of DOE's portfolio?

Answer. Yes. As you note, NETL is critical to the Department's mission to advance the energy security of the United States. If confirmed, I will support the continued success of NETL programs.

Question 12. What about your vision for the DOE Office of Fossil Energy? Some of its programs, such as combined heat and power, have been recently moved to other areas of DOE. When will they be brought back to the FE fold of work?

Answer. If confirmed, I will work with the Secretary to assess the distribution of activities across the Department to ensure the Department of Energy's research is being conducted in ways that maximize the Administration's energy policy, security, economic, and environmental objectives.

Question 13. 1If confirmed, do you plan to work to ensure the NETL mission is fully supported?

Answer. Yes.

Question 14. There are programmatic barriers that limit the NETL's ability to grow its programs and capabilities beyond its historical fossil energy mission. Would you be willing to help remove those barriers so that NETL can respond to growth opportunities?

Answer. If confirmed, I will learn more about NETL's programmatic structure and any challenges it faces. I would be pleased to work with you to make sure NETL is fully leveraging its scientific and technical expertise in support of our national interests.

Question 15. Will NETL be allowed to explore into other arenas of research, as have other labs and sections of DOE? This type of research has allowed other organizations to grow in DOE.

Answer. As you previously mentioned, NETL is already conducting research that cuts across the range of Departmental programs. If confirmed, I will examine how best we can maximize the contribution of each of the labs to the Department of Energy's mission in support of our national interests.

Question 16. It is reported that the United States has tens of billions of barrels of oil left stranded in known reservoirs. This is in addition to the recent increased production of natural gas and oil as a result of shale reservoir developments, which I might add, DOE and more specifically, NETL, played a significant role in research and development thereof.

It is obvious that advanced technologies are needed to unlock this substantial domestic resource of "stranded" oils, and to do so in an environmentally responsible way. However, this Administration consistently requests zero, I repeat, zero funding for DOE oil research.

Given this significant potential and all the associated benefits to our nation if we develop this "stranded" oil resource, would you, if confirmed, advocate for research funding focused on Enhanced Oil Recovery, including funding for carbon dioxide enhanced oil recovery technologies?

Answer. If confirmed, I will work with the Secretary to assess the distribution of activities across the Department to ensure the Department of Energy's research is being conducted in ways that maximize the Administration's energy policy, security,

economic, and environmental objectives. It is my understanding that the Quadrennial Energy Review process may provide guidance on priorities to be pursued with constrained resources.

I also understand that a number of Office of Fossil Energy-supported CCS projects, including the Air Products industrial capture project in Port Arthur, Texas, the Kemper County Project in Mississippi, and the Petra Nova advanced post combustion capture retrofit project, are significantly advancing technologies that underpin enhanced oil recovery (EOR). Moreover, the Department has issued an $8 billion loan solicitation to support energy generation projects that will support advanced fossil energy projects, including EOR technologies.

If confirmed, I will support the Department's efforts to advance clean coal, including for utilization for EOR, as part of the Administration's "all-of-the-above" energy strategy.

Question 17. The DOE's research portfolio seems void of research aimed at improving the efficiency of natural gas production from shale formations and other unconventional formations, and in maximizing resource recovery, and doing so in an environmentally responsible way. Such research would have widespread benefits for many businesses, including small businesses, and for our nation.

That being the case, do you recognize the value in production-related research and would you actively work to secure funding from Congress through the DOE Office of Fossil Energy to conduct this research?

Answer. As you mention in your previous question, the Department of Energy played a significant role in the research and development that has led to U.S. industry greatly increasing our Nation's natural gas and oil production from shale. If confirmed, I will work with the Secretary to ensure the Department's research is appropriately focused to facilitate our transition to a low carbon economy that includes a broad range of domestic energy sources, including natural gas.

Question 18. Many of the landowners and businesses alike involved in the recovery of shale gas are concerned about the usage of water in that process. Given the enormous economic potentials of this shale gas, such a concern should be addressed. To reduce the environmental footprint of natural gas production, "a comprehensive program is needed to address the issues of water use and backflow and produced water in unconventional gas production," as recommended in a report issued from an MIT study group chaired by Dr. Moniz in 2011. Would you support the funding of a program in the DOE Office of Fossil Energy to accomplish such an important goal?

Answer. Consistent with Secretary Moniz's view, I believe that the safe and environmentally sustainable production of America's energy resources are a core element of the mission of the Office of Fossil Energy (FE).

I am aware of cross-cutting work within the Administration to address this issue, and know that FE is playing a critical role. Last month, the Department released a report entitled "The Water-Energy Nexus: Challenge and Opportunities," which notes that water scarcity, variability, and uncertainty are becoming more prominent, potentially leading to vulnerabilities of the U.S. energy system, including in natural gas production. The report provides a foundation for future DOE action in response to the challenges in this space. Furthermore, the Quadrennial Energy Review is also examining water use in energy production, and may provide guidance on priorities to be pursued.

If confirmed, I will work to ensure that the Department's ongoing examination of the role of water in energy production informs our approach to this important concern.

Responses of Elizabeth Sherwood-Randall to Questions From Senator Murkowski

Question 1. Understanding that you are likely to focus primarily on nuclear security and non-proliferation, I also want to learn more about your experience with more traditional energy policy. Can you tell us the extent of your work on energy, at the federal level or elsewhere? If we come to a point where Secretary Moniz decides to leave the Department before you do, do you think you will be ready to serve as Acting Secretary?

Answer. Indeed, I have worked for several decades on national security, including the safety, security, and effectiveness of our nuclear weapons and the laboratories and infrastructure that support them, and on preventing the proliferation of weapons of mass destruction. As you know, these are important dimensions of the Department of Energy's mandate. Furthermore, throughout my career, I have had responsibilities for broad, strategic portfolios, in which global energy issues have played an increasingly prominent role. As I stated in my testimony, I believe that

America's domestic resources will be a major source of our domestic and international strength in the 21st century.

If confirmed, I look forward to working closely with you and your colleagues to advance Secretary Moniz's priorities, including: the "all-of-the-above" energy strategy for America's energy future, championing America's international energy leadership, working with our national laboratories, universities, and the private sector, and strengthening the Department's program and project management across the enterprise to deliver results and value for taxpayers. I also look forward to working closely with Secretary Moniz and learning from his vast experience throughout the energy sphere to ensure that I am well prepared to execute my duties as the Deputy Secretary, and, should I be called upon to do so, to serve as Acting Secretary.

Question 2. Do you support GAO's recommendation for a formal documented process between DOE, FERC and EPA to interact with respect to the impact of EPA rules on electric reliability?

Answer. I understand that greater coordination between the Department of Energy, FERC and EPA is an important element of successfully addressing any potential challenges relating to electric reliability.

Question 3. What is your general view of our nation's current energy policy and how does Alaska fit in? Do you support an "all-of-the above" energy policy, and if so, what does that phrase mean to you?

Answer. I support the Administration's "all-of-the-above" energy policy and am committed to advancing it. As you and I have discussed, I believe that Alaska has many unique opportunities and challenges—including many types of energy resources, such as hydropower, geothermal, oil and gas, as well as its high cost of electricity and dispersed population. I understand that this means that Alaska faces challenges that are distinct from those in the lower 48 states, and, if confirmed, I pledge to work with you to address those issues.

Question 4. While you have focused on the nuclear side of DOE-related energy issues in your career, what technologies do you believe offer the greatest potential for economic renewable energy development over the next decade? In your opinion, what is the best use of federal dollars to advance energy development in the future?

Answer. I understand that Secretary Moniz has focused on three main items within renewable energy development: lowering the cost of renewable energy technologies to achieve price competitiveness with traditional energy resources; accelerating the transition to a low-carbon economy; and ensuring that technologies are available to deploy renewables at scale. I share his commitment to integrating project management functions across Department of Energy offices and activities, as well as the private sector, academia and the national laboratories—all of which will ensure that we are using Federal funds wisely to advance our energy technology development.

Question 5. Given your past experience in the NSC, do you believe energy production and energy exports are in the national interest?

Answer. As I stated in my confirmation hearing, I believe we should be carefully evaluating all options to ensure that we deliver maximum value to the American consumer and retain America's competitive edge globally.

Under the Natural Gas Act, exporting LNG requires authorization from the Department of Energy. The export permit requires that the Department of Energyconfirm that the export would be consistent with the "public interest". My understanding is that the Department of Energy has recently conditionally approved seven proposals for export of LNG one of which has been finally approved, and that additional proposals are also under consideration.

Question 6. What are your thoughts on crude oil exports? I realize this is typically a Commerce Department area of jurisdiction, but crude oil is energy and you will be the Deputy Secretary of DOE if confirmed.

Answer. As you have stated, current allowances and restrictions regarding crude oil exports are set by law and enforced by the Department of Commerce. I understand that Administration officials have said that they are taking an active look at the implications of growing domestic energy supplies, including the economic, environmental and security opportunities and challenges that it presents. This includes examining how our refining capacity matches with significant increases in domestic crude production.

Question 7. Given your past experience, do you have any thoughts about the impact the unconventional oil and gas boom has had on U.S. national security and our broader position overseas?

Answer. The natural gas boom is certainly an advantage for the United States. As Secretary Moniz has said, it is partially responsible for the decrease in CO_2 emissions that we have experienced over the last years and it is a bridge to a low-carbon future.

The increase in oil production has had very significant impact here at home in that for the first time in over 20 years we are producing more oil than we are importing. We are largely self-reliant for natural gas, which has had the side-benefit of freeing up international resources of gas for our allies and partners. While these efforts have had a positive impact on our energy security here at home, we have more to do across the energy portfolio to increase our energy security and assistant to our allies and partners, especially those facing manipulative pressure from other providers.

Question 8. Former Alaska Senator Ted Stevens created the Arctic Energy Office in DOE to research a host of energy technologies of particular importance to the Arctic—from methods to develop heavy oil, to ways to recover methane hydrates from beneath the Arctic seafloor, to ways to improve electricity generation and transmission in rural areas. Unfortunately, that office closed four years ago and DOE now has only a couple of employees partially stationed in Alaska. As you may know, a 2008 USGS report found that 13 percent of the world's undiscovered oil and more than 30 percent of its natural gas likely lie under the Arctic. In light of this, and given the world's interest in Arctic issues, do you believe we need a greater emphasis on Arctic, cold-climate energy research?

Answer. I am aware of the value that Alaska's congressional delegation places on energy technology research in the Arctic region, particularly its energy production potential. During my service in the Administration I have participated in the development of our Arctic strategy and, if confirmed, I look forward to learning more and working with you on this issue.

Question 9. Given that Secretary Moniz is recused from any decision-making related to fusion energy-related activities at DOE, would you be able to assume a leading role on this issue? This is especially important in light of a recent GAO report that was quite critical of the serious management challenges and overall progress (or lack thereof) of the International Thermonuclear Experimental Reactor (ITER). I believe that a strong and effective leadership team at DOE is key to address this latter issue and the overall direction of the fusion program in this country.

Answer. I agree that that strong and effective leadership at the Department of Energy is critical to the success of complex, including international scientific projects such as ITER. If confirmed, I look forward to assuming a leadership role to ensure that this project is well managed. Further, I am aware that a number of ITER's challenges pertain to participating countries meeting their international commitments for the project in a timely fashion as well as management issues that are currently being addressed. If confirmed, I look forward to being more fully briefed on ITER and identifying options to improve the management and governance of the project.

Question 10. Secretary Moniz decided to create the office of the Undersecretary for Science and Energy, with the goal of better collaboration between those two crucial parts of DOE. What role do you see for yourself in ensuring that this goal is achieved, and can you share some of your thoughts on how to ensure the success of this strategy?

Answer. In July 2013, Secretary Moniz and Deputy Secretary Poneman announced a Department reorganization creating the Office of the Undersecretary of Science and Energy position. The creation of the position reflects an understanding that the innovation chain is not linear, and that it requires feedback between and among programs responsible for different Department of Energy research and development (R&D) modes. The Department needs the ability to closely integrate and improve the ease of communication among basic science, applied research, technology demonstration, and deployment activities. If confirmed, I look forward to supporting this model that is designed to strengthen the innovation and impact of the Department of Energy's R&D efforts.

Question 11. How will you seek to manage the nation's nuclear stockpile?

Answer. The safety, security, and effectiveness of our nuclear arsenal and the vitality of the national laboratories and production facilities that support that effort must be a high priority for the Deputy Secretary of Energy. If confirmed, I expect to be able to hit the ground running on this issue of critical importance to our national security. I would build on my deep expertise in defense management and nuclear deterrence to ensure that the nation's nuclear stockpile is properly resources and adapted to meet our emerging national military requirements.

Question 12. How do you view the relationship between civilian nuclear waste and defense waste in terms of disposal prioritization? How should the overall issue of disposal be addressed?

Answer. I am aware that the Obama Administration's efforts on nuclear waste disposal are guided by the Blue Ribbon Commission (BRC) on America's Nuclear Future's core recommendations and an Administration "Strategy for the Manage-

ment and Disposal of Used Nuclear Fuel and High-Level Radioactive Waste." The BRC was established to conduct a comprehensive review of policies for managing the back end of the nuclear fuel cycle, including all alternatives for the storage, processing, and disposal of civilian and defense used nuclear fuel, high-level waste, and materials derived from nuclear activities. Additionally, I am aware that the Administration's Strategy represents a basis for discussions between the Administration and Congress on a path forward for disposal of nuclear waste and provides near-term actions to be implemented by the Department of Energy pending enactment of new legislation. I appreciate your efforts, working with a bipartisan group of your colleagues, to introduce legislation on this topic. Guided by these efforts, if confirmed, I look forward to working diligently to address the needs of the back-end of the nuclear fuel cycle and setting it on a sustainable path.

Question 13. As an Alaskan, I support hydropower in all forms. Over the long-term, I believe marine hydrokinetic technology offers considerable potential for low-cost renewable energy. At the same time, I believe further research can continue to improve conventional hydropower production. What is your view on the hydropower resources and how do you believe the Department should prioritize its water power budget?

Answer. Hydropower is a key contributor today and is an important part of the Administration's "all-of-the-above" energy strategy. I believe that further innovation and advancement of hydropower technologies are both possible and necessary to: lower the costs of initial installations; minimize environmental impacts in a timely, low-cost way; encourage the development of new hydropower generation, including micro-generation; and lower the costs of pumped hydro storage, which is an important storage option for other power generation technologies.

If confirmed, I look forward working with you on marine hydrokinetic issues.

Question 14. What do you see as the future of Department-funded research into wind-turbine technology and for integration of wind into the electrical grid? In your view, should DOE's funding for wind-related activities increase, decrease, or stay at its current level?

Answer. The research community studying climate science for several decades overwhelmingly agrees that we need to accelerate the transition to a low-carbon economy as an essential strategy for mitigating the most serious impacts of climate change. Energy infrastructure requires decades to turn over and the Administration is committed to developing and deploying affordable energy technologies at a scale sufficient to power and fuel the nation. Lowering the cost of low-carbon options such as wind is important to achieving that goal, and it is supported by the Department of Energy's R&D portfolio. If confirmed, I will support the Department's ongoing efforts to advance wind power as part of the Administration's "all-of-the-above" strategy.

Question 15. It is estimated that America has enough methane hydrates, if we can access them safely, to power our energy needs for a millennium. But, while the Department funded a 2012 test in Alaska to prove that hydrates can be made to "flow," it has taken considerable effort to get the Department to follow up on that test with further testing and research. Given that Japan is considering hydrates as a major future source of its energy needs, how do you view the Department's role in methane hydrate research? How much funding should be provided to support DOE's methane hydrate efforts?

Answer. Although I have not yet been briefed on the role of methane hydrates in the Department's research and development portfolio, it is my understanding that the Office of Fossil Energy and the National Energy Technology Lab support a number of research projects in unconventional natural gas production, including projects focused on the potential of methane hydrates.

If confirmed, I will expeditiously request a briefing on the Department of Energy's methane hydrates research portfolio and pledge to work with you on this issue.

Question 16. In Section 803 of the 2007 Energy Independence and Security Act (EISA), Congress authorized a matching grant program to help fund the capital costs of all types of renewable energy projects in high-cost areas like Alaska. The program, however, was not Alaska-specific but rather national in scope. What is your view on DOE's role in general to spur the development of renewable projects and on Section 803 of EISA in particular?

Answer. While I am not familiar with the specific provision of the Energy Independence and Security Act, I support the continued research, development and deployment efforts associated with renewables as part of the Administration's "all-of-the-above" strategy. Specifically, I will support the Secretary's priorities of lowering the cost of renewable technologies to achieve price competitiveness with traditional sources of energy; accelerating the transition to a low-carbon economy; and assuring

we have the key enabling technologies needed to enable renewables deployment at scale

If confirmed, I will request a briefing on Sec. 803 and look forward to working with you to address your concerns.

Question 17. Former Secretary Chu proposed an expanded role for the Power Marketing Administrations (PMAs) to be directed by the Department of Energy and without consultation with Congress. After 166 members of Congress wrote to then-Secretary Chu to take issue with this approach, Deputy Secretary Poneman did not pursue many of the initiatives set forth in the so-called "Chu memorandum." If confirmed, would you pursue former Secretary Chu's proposed initiatives and expand the PMAs' mission? Please explain your approach to the PMAs and specify if and how you would change any PMA-related management.

Answer. I am aware of Secretary Chu's March 16, 2012 memo. If confirmed, I will be fully briefed on the Power Marketing Administrations and their unique challenges and opportunities. Further I will abide by the governing statutes of each PMA, and I will work with you and the stakeholders in each PMA region to ensure that the PMAs are operating as efficiently and effectively as possible while following all Federal laws and applicable regulations.

Question 18. I have been told the Senate Defense Appropriations Subcommittee has included the below language in the base text of their bill:

> SEC. 8121. Notwithstanding section 1552 of title 31, United States Code, funds made available under the heading "OPERATION AND MAINTENANCE" under the heading "DEPARTMENT OF DEFENSE" under title III of division A of Public Law 111-5 (123 Stat. 132) and any funds made available for Fossil Energy Research and 20 Development by the Department of Energy under title IV of the same division of Public Law 111-5 (123 Stat. 139) shall remain available for expenditure, until such funds have been expended, for the purpose of liquidating the obligations.

Regarding this language, please clarify:

a. If the DOE requested this language.

Answer. To the best of my knowledge, the Department of Energy did not request this language.

b. If the language is placed into law, would DOE interpret the language to only allow the funds to flow to the Future Gen 2.0 project, or would other fossil energy demonstration projects be eligible to use the funds?

Answer. I am aware that it is the Department of Energy's understanding that this language would apply to all of the fossil energy demonstration projects authorized by P.L. 111-5.

c. If DOE would allow other fossil energy demonstration projects to use the funds provided by the referenced language, how would DOE prioritize allocation of the funds to projects? What criteria would be used to determine funding eligibility?

Answer. I am aware that it is the Department of Energy's understanding that this language would only apply to the funding that has already been obligated to projects authorized by P.L. 111-5.

Question 19. Regarding Clean Coal demonstration programs generally, what are the "un-costed balances," if any, with respect to funds obligated but not expended for clean coal demonstration projects? What plans are there to assure that the work underway in such projects will be completed or the benefits of the work already completed will be preserved if the projects are not completed?

Answer. I understand that the Department of Energy is focused on working to complete clean coal demonstration projects that are currently underway. I do not know what steps may be taken for projects should they not be completed, but if that should happen, and if I am confirmed, I would make every effort to maximize the value of the investment for the taxpayer.

Question 20. Regarding the National Energy Technology Laboratory (NETL), and given the comparative success of NETL programs, what assurances can you provide about leadership and 21 programmatic stability in light of recent changes in the Office of the Director? Do you anticipate any significant changes for the lab and its programs as a result of the appointment of a new director?

Answer. I am aware that there will be a new Director of NETL in the near future, but I am unaware of any significant changes planned for the lab programs. If I am confirmed as Deputy Secretary, I will work with NETL to ensure that the transition to new leadership supports the continuing execution of its important mission.

RESPONSES OF ELIZABETH SHERWOOD-RANDALL TO QUESTIONS FROM SENATOR PORTMAN

Question 1. If confirmed, will you commit to help improve the communication between DOE and Congress?

Answer. Yes, I will.

Question 2. DOE is conducting decontamination and decommissioning (D&D) cleanup of the Portsmouth Gaseous Diffusion Plant (GDP) in Piketon, Ohio. What do you know of the cleanup effort? In your view, what are the current and future challenges for the site?

Answer. I understand that the Portsmouth Gaseous Diffusion Plant made an important contribution to American national security and was also integral to the commercial nuclear industry. Since the plant ceased operations in 2001 and work shifted to cold shutdown in 2006, I understand that the plant has been owned by the Office of Environmental Management, which is responsible for cleanup at the site. I know that the local community is very interested in the cleanup mission as it supports important jobs in an economically depressed area and will enable future use of the site.

I am aware that one of the most important challenges is the past and current use of uranium barters to accelerate cleanup at the site, particularly given the current low global uranium prices and the amount of uranium left for the Department to barter to support this work. This is presenting a challenge to the community, and it is one that we must be sensitive to given the significant contributions made by workers in Piketon over many decades.

Question 3. If confirmed, will you work with the Ohio delegation to maintain the Administration's commitment to an accelerated cleanup schedule for the Piketon site?

Answer. I understand that the Department of Energy has for the last several years used uranium barters to fund accelerated cleanup at the Portsmouth plant. As you and I discussed in your office and subsequently during the hearing, if confirmed, I look forward to learning more about the details 23 of the site, to finding an opportunity to visit it with you, and to working with you to address this important issue.

Question 4. If confirmed will you prioritize the effort to finalize the building demolition and the waste disposal plans as soon as possible?

Answer. While I am not familiar with the details of these plans, I am aware that they have been delayed. I appreciate your interest in moving forward with these plans. If confirmed, I will work to ensure that they are moved forward as expeditiously as possible.

Question 5. It is my understanding that DOE formulated its FY2015 budget request for the Portsmouth site based on an estimate that FY2015 barter proceeds would be approximately $188 million. Over the past several months, uranium prices have declined and the projected barter proceeds for FY2015 are now less than $188 million. If confirmed, what measures will you pursue to cover a gap in funding Portsmouth D&D in FY2015 caused by lower uranium prices?

Answer. I am aware that falling global uranium prices are expected to have a significant impact on the cleanup work at Portsmouth, and I am concerned about this impact on the workforce and on the pace of progress. If I am confirmed, I work with Congress and within the Department to determine what options are available to address the challenges created by lower uranium prices.

Question 6. In your opinion, has the Department followed the requirements of the USEC Privatization Act that require the Secretary to determine that its transfer of uranium does not harm the domestic uranium industry?

Answer. It is my understanding that Secretary Moniz recently issued a determination in accordance with the requirements of the USEC Privatization Act in May 2014.

Question 7. If confirmed will you support the barter program while also working with Congress to find a permanent and more stable funding stream for the cleanup at Piketon?

Answer. I am aware that the uranium barter program has permitted the Department to make uranium transfers to fund accelerated cleanup at the Portsmouth site, and I understand that the continuation of this program is consistent with the Department's principles and policies, and will help continue to fund cleanup. If confirmed, I will support the continued use of the barter program along with seeking appropriations as needed to fulfill our clean-up efforts.

Question 8. The United States must have the technology for a fully domestic source of enriched uranium to support our nuclear weapons program and the Navy nuclear reactors program. Secretary Moniz, Secretary Chu, Assistant Secretary

Peter Lyons, and your predecessor Dan Poneman have testified to that fact before this committee. Do you agree with that sentiment?

Answer. Yes, that is my understanding, and based on my understanding I agree with that policy.

Question 9. International agreements prevent us from purchasing enriched uranium from foreign-owned companies for military purposes. Is that your understanding?

Answer. Yes, that is my general understanding.

Question 10. The United States has no operational enrichment capability that meets those national security requirements now that the Paducah Gaseous Diffusion Plant is shut down, is that correct?

Answer. It is my understanding that there is no other operational capability to meet those requirements at the present time.

Question 11. Are you aware of any technologies on the immediate horizon that could fulfill this requirement?

Answer. I am not aware of any other technology applicable for this requirement that are immediately available.

Question 12. Do you believe that these national security implications should be taken into account when it comes to any federal involvement in the development of an enrichment capability?

Answer. Yes.

Question 13. If confirmed, will you support the Department's efforts on ACP?

Answer. Yes, I will support the Department's efforts towards a U.S.-origin enrichment capability.

RESPONSES OF ELIZABETH SHERWOOD-RANDALL TO QUESTIONS FROM SENATOR BARRASSO

Question 1. Earlier this year, the Department of Energy (DOE) gave conditional approval to the Jordan Cove LNG export terminal. This terminal would enable natural gas producers in Wyoming and other states to export LNG to markets in Asia.

DOE's Conditional License Order for the terminal reads as follows: "To the extent U.S. exports can diversify global LNG supplies, and increase the volumes of LNG available globally, it will improve energy security for many U.S. allies and trading partners."

Immediately afterward, the Order states: "As such, authorizing U.S. exports may advance the public interest for reasons that are distinct from and additional to the economic benefits identified in the [NERA] LNG Study."

Do you agree that LNG exports from the United States, including LNG exports to Asia, would improve the energy security of our allies and trading partners and promote the public interest here in the United States? Please provide a "yes" or "no" answer. If your answer is "no," please explain why you disagree.

Answer. Yes, based on the briefings I have received from the Department of Energy, I agree.

Question 2. On Tuesday, David Goldwyn, a former Special Envoy for International Energy Affairs at the State Department, testified before the Foreign Relations Committee.

He stated that: "A clear signal from the U.S. that LNG exports will be available to European allies for future purchase would put immediate pressure on Russia's market share and export revenues."

You are an expert on Russia and Ukraine. You have written extensively on these countries. You have also served in prominent roles at the Department of Defense and on the National Security Council where you helped set policy related to these countries.

Do you agree with Mr. Goldwyn that—"A clear signal from the U.S. that LNG exports will be available to European allies for future purchase would put immediate pressure on Russia's market share and export revenues"? Please provide a "yes" or "no" answer. If your answer is "no," please explain why you disagree.

Answer. We take the energy security of our allies and partners in Europe very seriously. The Obama Administration has been working with European governments to strengthen energy security and diversify supplies.

The Department of Energy has conditionally approved U.S. LNG export facilities with 9.3 billion cubic feet per day of capacity that can be exported both to countries with which we have Free Trade Agreements and to those where we do not, such as European countries. These are volumes are significant—to put it in perspective, these volumes are more than the total amount of LNG that Europe currently imports and equal to over half the gas Europe currently imports from Russia.

As I understand it, the first project to export U.S. LNG is not expected to come online until late 2015/early 2016. Nevertheless, we are committed to putting gas onto the global market in a way that is consistent with U.S. public interest because we know that increased global supplies help our European allies and other strategic partners.

Question 3. In over three and a half years, DOE has approved only one application to export LNG. It has given conditional approval to six other applications. Meanwhile, DOE is sitting on 26 pending applications, the majority of which have been pending for more than a year.

In light of what is taking place in Europe, do you believe the Administration is acting fast enough on pending LNG export applications? If not, what steps, if any, would you take to expedite the processing of LNG export applications? Please be specific.

Answer. The Natural Gas Act requires the Department to conduct a public interest determination for LNG exports to non-Free Trade Agreement countries. An important factor in that analysis is international considerations. I understand that the Department recently proposed a change in LNG authorization procedure that would streamline the approval process by eliminating the step of issuing conditional commitments. By eliminating this step, the Department of Energy can turn immediately to the projects most ready to proceed with construction. I believe that this is an important step in streamlining the process. If confirmed, I will ensure that the Department of Energy conducts its review of the export applications as expeditiously as possible consistent with the public interest.

Question 4. DOE has proposed to suspend issuing conditional licenses altogether. Instead, it has proposed to issue licenses after the Federal Energy Regulatory Commission completes the environmental review process for projects. If DOE decides to stop issuing conditional licenses and you are 28 confirmed, would you support DOE making exceptions if the applicant can show that its project would not be financially viable without a conditional approval?

Answer. I am not yet at the Department and not privy to discussions between the Department of Energy and the applicants, but I understand the latest proposed change to eliminate conditional approvals was done in response to changing needs in the marketplace. I understand that the proposed change was put out for public comment, but I do not know what those comments have said about the elimination of conditional approvals. If confirmed, I would like to review what the Department learned through the comment period before considering any further changes in procedure, and I would be pleased to discuss this with you at that time.

Question 5. For years, DOE has transferred its excess uranium inventories to other parties in exchange for cleanup services. I have repeatedly expressed my opposition to these transfers. DOE's transfers distort America's uranium market and hurt our uranium producers.

Since May 2012, the Department of Energy's transfers have contributed to about a 50 percent drop in the spot price of U3O8. Between 2011 and 2013, the Department of Energy's transfers have contributed to a 19 percent drop in employment in uranium exploration and mining.

On May 15 2014, Secretary Moniz issued a Secretarial Determination authorizing additional uranium transfers. In his order, Secretary Moniz included a finding that these transfers would not have "an adverse material impact" on America's uranium mining, conversion, and enrichment industries. With all due respect to the Secretary, his finding is hard to believe.

Last week, I—along with 17 other members of Congress—sent Secretary Moniz a letter about his order (attached). We asked him to provide the basis for his finding that DOE's transfers will not have an adverse material impact on America's uranium mining, conversion, and enrichment industries. To date, DOE has refused to disclose this information.

When can we expect the Secretary to disclose the requested information?

Answer. I am aware of the recent letter that you sent to Secretary Moniz, and appreciate your having shared it with me as well in advance of my confirmation hearing last week. As I am not yet at the Department, I do not have precise knowledge regarding the schedule for Secretary Moniz to provide you with the requested information.

Question 6. Do you believe that it is important that the United States have strong uranium mining, conversion, and enrichment industries? If so, please describe what steps, if any, that you would take, if confirmed, to mitigate the impact that DOE's uranium transfers have had on America's uranium mining, conversion, and enrichment industries. Please be specific.

Answer. I agree it is important for our country to have a strong domestic uranium industry. If confirmed, I will work to ensure that any uranium transfers continue

to comply with applicable statutory obligations and are done in a transparent manner. I will also work to ensure that implications for the domestic uranium industry are examined as part of any future determination on this issue. Finally, I will work across the Department to promote scientific and technical innovation as appropriate in relation to the domestic uranium industry.

Question 7. In 2008, DOE set forth its Excess Uranium Inventory Management Plan ("Plan"). The Plan was developed in consultation with the Nuclear Energy Institute (NEI), which represents uranium mining, conversion, and enrichment industries as well as electric utilities. After the uranium mining, conversion, and enrichment industries negotiated a compromise with the electric utilities on the question of DOE's excess uranium transfers, NEI made recommendations to DOE for inclusion into its Plan.

Specifically, DOE agreed to gradually release its excess uranium inventories into the market over a period of five years, at which point DOE agreed to limit annual uranium transfers to 5 million pounds or 10 percent of annual domestic fuel requirements. DOE's collaborative approach to disposing of its excess uranium inventories was the principal reason the uranium mining, conversion, and enrichment industries and electric utilities supported the Plan.

If confirmed, will you commit to bringing together the uranium mining, conversion, and enrichment industries as well as electric utilities and restart formal discussions to develop an excess uranium management plan which will be supported by these stakeholders?

Answer. It is my view that the Department should be open to receiving input from affected stakeholders. If confirmed, I will work to ensure that as future Excess Uranium Inventory Management Plans are developed, the Department has the opportunity to hear from affected stakeholders, including those you mention.

Question 8. A. If confirmed, will you commit to updating the Committee on a regular basis about the status of the cleanup of the Portsmouth Gaseous Diffusion Plant? B. How much money has DOE spent to date on the cleanup efforts at this site? C. How much money does DOE estimate the remaining cleanup will cost, assuming all of the remaining work is funded with appropriated dollars, in fiscal years 2015, 2016, 2017 and 2018.

Answer. A. If confirmed, I will update the Committee as requested about the status of the Portsmouth Gaseous Diffusion Plant.

B. I understand that the Department has spent approximately $3 billion through the end of FY2013 on the cleanup of the Portsmouth site.

C. I understand that the FY2015 budget request for Portsmouth is $160 million, which is approximately $24 million above the FY2014 appropriation of $135.8 million. As I am not yet at the Department, I do not have details on the estimated cost of cleanup for fiscal years 2016-2018.

Question 9. I understand DOE has entered into contracts with other parties to transfer uranium in exchange for cleanup services at the Portsmouth Gaseous Diffusion Plant.

A. When was the most recent contract signed and what period of time does it cover?

Answer. I understand from the Department of Energy that Flour-B&W Portsmouth was awarded a contract in August 2010, which covers 10 years.

B. Do the contracts include any language that would render them null and void should the Secretary make a finding that any additional uranium transfers would have an adverse material impact on America's uranium mining, conversion, and enrichment industries?

Answer. As I am not yet at the Department, I do not have access to the details of the contract in question. If confirmed, I will be briefed on the relevant provisions.

RESPONSES OF ELIZABETH SHERWOOD-RANDALL TO QUESTIONS FROM SENATOR SCOTT

Question 1. Will abandoning the MO_X project break the Plutonium Management and Disposition Agreement (PMDA) with Russia?

Answer. The PMDA contains provisions to adjust plutonium disposition technologies if both parties agree. Therefore if a disposition pathway other than MO_X were pursued by the Administration, the United States and Russia would need to agree to the alternate pathway pursuant to the Plutonium Management and Disposition Agreement.

Question 2. If the Obama administration abandons the MO_X project and pursues one of DOE's alternatives to plutonium disposition as identified in the April 2014 Plutonium Disposition Working Group Report, will a renegotiation of the PMDA be required by the U.S. and Russia?

Answer. The PMDA contains provisions to adjust plutonium disposition technologies if both parties agree. Therefore if a disposition pathway other than MO_X were pursued by the Administration, the United States and Russia would need to agree to the alternate pathway pursuant to the Plutonium Management and Disposition Agreement.

Question 3. As part of the PMDA, the United States has committed to fund part of Russia's disposition program that includes fast reactors and an international inspection program. To date how much money has the U.S. spent on the Russian program?

Answer. I have been briefed that to date the United States has allocated approximately $260 million in support of the Russia plutonium disposition program. The U.S. funding commitment to Russia's plutonium disposition efforts is primarily for activities relating to bilateral or IAEA confirmation of Russian adherence to the terms of the PMDA. Russia is funding the construction and operation of the major facilities required for its plutonium disposition program.

Question 4. If the Obama administration abandons MO_X and breaks the PMDA, Russia will no longer be bound to PMDA required inspections. Is it possible for Russia to use their fast reactors to produce more weapons grade plutonium?

Answer. As I stated in my confirmation hearing testimony on July 24, 2014, the United States remains fully and firmly committed to the Plutonium Management and Disposition Agreement with Russia.

Question 5. Considering your current position as Special Assistant to the President and White House Coordinator for Defense Policy, Countering Weapons of Mass Destruction, and Arms Control, as well as previous positions in the administration, what countries does the Obama administration consider potential buyers of Russian weapons grade plutonium now or in the future? How many of these countries does the U.S. consider State Sponsors of Terrorism?

Answer. I am not currently aware of any potential buyers for Russian plutonium or any Russian plans to sell plutonium.

Question 6. What steps is the Administration taking to ensure continued inspections of Russia's fast reactors if the PMDA is broken?

Answer. As I stated in my confirmation hearing testimony on July 24, 2014, the United States remains fully and firmly committed to the Plutonium Management and Disposition Agreement with Russia. Absent the PMDA, there are no constraints on Russia's operation of its fast reactors.

Question 7. At your confirmation hearing on July 24, 2014, you said:

> We are fully committed to meeting the obligations we have under the agreement [PMDA] with Russia."

How does this statement rectify with the Administration's intent to break the PMDA by significantly reducing funding in the President's FY 14 and FY 15 budgets, commissioning a study for alternatives to MO_X and by placing the MO_X project on "cold standby?"

Answer. The Administration is fully committed to disposing of 34 tons of excess weapons grade plutonium as agreed to under the PMDA. The Administration is currently evaluating options to achieve this goal in the most cost effective manner possible, including disposing of plutonium as mixed oxide (MO_X) fuel. As I understand it, the Department has been working closely with 33 the MO_X project contractor to determine if there are opportunities to make the current MO_X fuel approach for plutonium disposition more efficient in light of significant cost growth and funding challenges. The Department is currently reviewing execution plans for FY-15 work submitted from the MO_X contractor with various funding levels and will determine the best path forward. These steps do not contravene our commitments under the PMDA.

Question 8. At your confirmation hearing on July 24, 2014, you said:

> We should not take any steps that diminish the likelihood of Russia fulfilling its obligations [to PMDA]."

Hasn't the Administration already taken steps that would diminish the likelihood of Russia fulfilling its obligations? In your opinion, how many of the following would qualify as one of these "steps"?

1. Abandoning MO_X project
2. Placing MO_X in cold standby
3. Significantly reducing the President's budget requests for MO_X construction
4. Commissioning a report to seek alternatives to the MO_X project

Answer. As I stated in my confirmation hearing testimony on July 24, 2014, the United States remains fully and firmly committed to ensuring Russia fulfills its obligations to the PMDA. As part of that commitment, the Administration will continue

to carefully manage its approach to meeting U.S. plutonium disposition requirements to ensure that Russia continues to uphold its obligations under the PMDA. We have briefed Russia regularly on the status and plans for U.S. plutonium disposition.

Question 9. At your confirmation hearing on July 24, 2014, you said:

> "If there is funding for this project [MO_X] that is sustainable over time, this is our preferred solution."

Can I take this statement to mean that the Administration will include full funding-at least $500 million—for the MO_X project in the President's FY16 budget so that Congress can meet the President's budget request?

Answer. The President's FY 2015 budget request stated that the MO_X facility would be placed in cold standby beginning in March 2014 while the Department further evaluates plutonium disposition options. However, as I understand it, when the Department of Energy participated in hearings and briefed members of Congress and on the details of the budget request, members from both parties expressed their strong desire that the Department defer placing the MO_X project in cold standby while Congress reviews and evaluates the FY 2015 budget request. In response, the Department did not initiate a transition to cold standby in FY 2014 while Congress is deliberating the FY 2015 budget. The previous fiscal year's budget and appropriations process will be taken into consideration in the development of the subsequent fiscal year's budget request.

Question 10. How does the ongoing crisis in Ukraine complicate a potential renegotiation of the PMDA with Russia?

Answer. As I stated in my confirmation hearing on July 24, 2014, the Administration has made a deliberate effort to insulate nuclear security cooperation with Russia from turbulence in other aspects of the U.S.-Russian relationship, as it is in our vital national security interest to ensure that weapons-grade materials do not fall into the wrong hands.

Question 11. Considering Russia's current disregard for international law and the sovereignty of Ukraine and given the Obama administrations intentions to place the MO_X project on cold standby, what specific assurances do you have that Russia will not break the PMDA?

Answer. The Administration is committed to doing everything that it can to ensure that Russia upholds its obligations under the U.S.-Russia PMDA to dispose of excess weapons grade plutonium. This is a vital national interest of the United States.

RESPONSES OF ELIZABETH SHERWOOD-RANDALL TO QUESTIONS FROM SENATOR HOEVEN

Question 1. The Department of Energy has invested more than $15 million in technology development in North Dakota that has achieved remarkable success in developing proprietary silicon based technologies, including the only economically feasible and scalable pathway to liquid silicon (hydrosilanes) materials that is seen as a potentially disruptive technology for the solar cell, printed electronics, and lightweight battery markets. This program is scheduled to end in June of 2015. In addition, this program has also developed promising 'green' technologies, also based on silicon, for processible high refractive index polymers with strong potential to impact markets based on light emitting diodes, lithography and image sensors. The underlying technology is proprietary and available only in the USA. Does the DOE plan to extend and expand this program and to be a partner in the efforts to scale up and commercialize the process?

Answer. The Department of Energy plays a critical role in supporting research and partnering in efforts to scale up and commercialize breakthrough energy technologies. I am not yet familiar with the specifics of the liquid silicon (hydrosilanes) materials, but if confirmed, I look forward to learning more about this technology and exploring what more can be done to assist this effort.

Question 2. The Department of Energy has invested more than $10 million to foster the initiation and growth of a Center for Computationally Assisted Science and Technology in North Dakota that focuses on energy related issues in the Upper Midwest. The center meets the needs of hundreds of faculty, students and researchers in their efforts to understand the complex water, soil, coal, gas and oil issues confronting the Upper Midwest, especially North Dakota Does the Department of Energy plan to assist in bringing that center to maturity?

Answer. I am aware that promoting the advancement of computational science is an important mission of the Department. If confirmed, I look forward to learning

more about the work of this Center and to exploring what more can be done to support its efforts.

RESPONSE OF ELIZABETH SHERWOOD-RANDALL TO QUESTION FROM SENATORS WYDEN, RISCH, AND CANTWELL

Question 1. Two of the bedrock principles for power in the Northwest are that the Bonneville Power Administration must continue to govern its own affairs, and that it has direct access to the top levels at the Department of Energy. Historically this means that BPA reports directly the Deputy Secretary. Earlier actions by this Administration called into question its support for the regional autonomy of BPA, but I've been encouraged by Secretary Moniz' response in light of the issue with hiring veterans at BPA, and the clear trajectory that DOE and BPA are now on to return full control back to BPA as that issue has been resolved.

a) In your new capacity, will you commit that, before proposing any legislative or administrative actions which could affect the power and transmission operations of BPA, you will first discuss and vet those ideas with me and my colleagues from the Pacific Northwest and a broad range of regional stakeholders?

Answer. If confirmed, I commit to working collaboratively with the three of you, other members of Congress, and regional BPA stakeholders on any major actions impacting BPA.

b) Will you commit to continuing to have BPA and the other power marketing authorities report directly to you as Deputy Secretary?

Answer. I understand that all Power Marketing Administrations currently report directly to the Deputy Secretary. It is my understanding that Secretary Moniz intends to continue this reporting arrangement if I am confirmed.

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