## Testimony to the United States House of Representatives Committee on Oversight and Accountability

## "A Legacy of Incompetence: Consequences of the Biden-Harris Administration's Policy Failures"

## Mandy Gunasekara, Former U.S. EPA Chief of Staff Washington, D.C. September 19, 2024

Chairman Comer and Ranking Member Raskin, and members of the committee, thank you for the opportunity to participate in today's hearing discussing the impact of increased energy costs and inflation on American families.

My name is Mandy Gunasekara, I served as the chief of staff at U.S. EPA under the Trump Administration. Previously, I served as Counsel in the U.S. House and the Senate, so it is always an honor to return to Capitol Hill to provide testimony.

I am currently a principal at Section VII Strategies and a Visiting Fellow at the Heritage Foundation. I am also the author of a forthcoming book entitled, "Y'all Fired: A Southern Belle's Guide to Restoring Federalism and Draining the Swamp."

As we are less than two-months away from the next presidential election, corporate media and democrats are working overtime to re-write the truth of the Biden-Harris administration and their abysmal record of failures. They attempt to distract and misinform Americans urging them to look to flashy new "policy" websites and mindless videos instead of what's going on around them. While this Orwellian approach to reality may work on a subset of radicalized Americans, the majority are not buying it.

From President Biden's promise to "end all fossil fuels" alongside VP Kamala Harris' commitment to ban fracking<sup>2</sup> Americans have suffered for over 3.5 years under their radical agenda. The driving force behind much of their agenda is not some policy difference, but rather a commitment to undo everything President Trump, and his officials, did. From the energy perspective, this has included locking up development of resources and demonizing industries –

<sup>&</sup>lt;sup>1</sup> Tony Heller, "Biden "I Guarantee You We're Going To End Fossil Fuels" *Youtube*, available at: <a href="https://www.youtube.com/watch?v=OJ7MMsheHzQ">https://www.youtube.com/watch?v=OJ7MMsheHzQ</a>.

<sup>&</sup>lt;sup>2</sup> Josh Siegel, "Kamala Harris: 'No question' I would ban fracking," *Washington Examiner* (September 4, 2019) available at: <a href="https://www.washingtonexaminer.com/news/1426990/kamala-harris-no-question-i-would-ban-fracking/?utm-source=google&utm-medium=cpc&utm-campaign=Pmax-USA-Magazine-21-June-Intent-Audience-Signals&gad\_source=1&gbraid=0AAAAAD8dCuzyWrcmSm2fWa6Udvc6seSU7&gclid=Cj0KCQjwrp-3BhDgARIsAEWJ6SzlCQiT-Co7CoRUvAOci4UHtsFRDIwerTfj0GcTKBrNJIXOxmvZDSwaAiUKEALw-wcB.

mainly coal, oil and natural gas that provide 80% of our energy needs – that were a part of President Trump's historic effort to make America a net-energy exporter.<sup>3</sup>

Since January 2021, President Biden and congressional democrats have taken over 250 different actions that make it harder to produce energy in America.<sup>4</sup> A few well-known, economically damaging examples include:

- Biden-Harris stopping construction of the Keystone XL Pipeline that cut over 11,000 domestic jobs including thousands of union jobs.
- Biden-Harris issuing a moratorium on new oil and gas permits on federal lands.
- Biden-Harris greenlighting Putin's Nord Stream 2 pipeline, while shuttering U.S. pipelines.
- Biden-Harris rejoining the disastrous Paris Climate Agreement squeezing out U.S. jobs and increasing the regulatory burdens of American companies.
  - Meanwhile China, a fellow Paris co-signer, is now on track to build an additional 1.28 billion tons of coal mining capacity and accounting for 75% of global coal mine methane emissions.<sup>5</sup>
- Biden-Harris launching a war on household appliances that are now <u>34% more</u> expensive than 15 years ago.<sup>6</sup>
- Biden-Harris (and <u>Gov. Tim Walz</u><sup>7</sup>) <u>blocking</u><sup>8</sup> the Twin Metals mine shuttering U.S. steelworker jobs in Minnesota and cutting off access to critical minerals.
- Biden- Harris slowing permits for LNG facilities from an average of 7 weeks to 11 months, then completely halting permits for new LNG facilities.
- Biden-Harris mandating Americans drive electric vehicles despite growing market resistance and a preference for more affordable, gas-powered vehicles.

<sup>&</sup>lt;sup>3</sup> White House Council of Economic Advisors, "Value of U.S. Energy Dominance," Trump White House (July 29, 2020), available at: <a href="https://trumpwhitehouse.archives.gov/articles/value-u-s-energy-dominance/">https://trumpwhitehouse.archives.gov/articles/value-u-s-energy-dominance/</a>.

<sup>&</sup>lt;sup>4</sup> Thomas Pyle, "250 Ways the Biden-Harris Administration, and their Allies, Have Made it Harder to Produce Oil & Gas," *Institute for Energy Research*, available at: <a href="https://www.instituteforenergyresearch.org/fossil-fuels/gas-and-oil/250-ways-the-biden-harris-administration-and-their-allies-have-made-it-harder-to-produce-oil-gas/">https://www.instituteforenergyresearch.org/fossil-fuels/gas-and-oil/250-ways-the-biden-harris-administration-and-their-allies-have-made-it-harder-to-produce-oil-gas/</a>.

<sup>&</sup>lt;sup>5</sup> Reuters, "China has more than 1 billion tons/year of new coal mines in pipeline, report says" (September 9, 20240), available at: <a href="https://www.reuters.com/business/energy/china-has-more-than-1-bln-tonsyear-new-coal-mines-pipeline-report-says-2024-09-10/">https://www.reuters.com/business/energy/china-has-more-than-1-bln-tonsyear-new-coal-mines-pipeline-report-says-2024-09-10/</a>.

<sup>&</sup>lt;sup>6</sup> Gabriella Hoffman, "Net-zero policies drive up household appliance costs," *Washington Examiner* (July 9, 2024), available at: <a href="https://www.washingtonexaminer.com/restoring-america/courage-strength-optimism/3073545/net-zero-policies-drive-up-household-appliance-costs/">https://www.washingtonexaminer.com/restoring-america/courage-strength-optimism/3073545/net-zero-policies-drive-up-household-appliance-costs/</a>.

<sup>&</sup>lt;sup>7</sup> Mandy Gunasekara, "Tim Walz And The Hidden Story Of Twin Metals," *Daily Caller* (August 14, 2024) available at: https://dailycaller.com/2024/08/14/opinion-tim-walz-and-the-hidden-story-of-twin-metals-mandy-gunasekara/.

<sup>&</sup>lt;sup>8</sup> Mandy Gunasekara, "Twin Metals mine cancellation is a gut punch to US steelworkers, gift to China," *The Hill* (February 5, 2022), available at: <a href="https://thehill.com/opinion/energy-environment/592877-twin-metals-mine-cancellation-is-a-gut-punch-to-us-steelworkers/">https://thehill.com/opinion/energy-environment/592877-twin-metals-mine-cancellation-is-a-gut-punch-to-us-steelworkers/</a>.

• Biden-Harris weaponizing the EPA to shut down coal and natural gas-fired power plants.

As a result, the Biden-Harris anti-American energy policies have made the necessities of life a financial burden. Since January 2021 when Team Biden-Harris walked through the door, overall prices are up 19.4%. Home heating oil is up 36%, electricity is up 32%, and natural gas is up 25%. One in six American families are currently behind on their electricity bills. The cost for an average household has risen approximately \$10,000 over the past two years. Beyond high costs, recall the numerous supply disruption Americans have had to endure that created shortages on baby formula, over the counter cold medicine for children, women's hygiene products and many more.

Increased costs are squeezing the middle class and making it virtually impossible for low-income Americans to ever cross into the middle-class threshold. Even worse, some families have been forced to choose between powering their homes or putting food on the table. This increasingly becomes the case as we enter the winter months.

An ongoing survey<sup>13</sup> by the National Energy Assistance Directors' Association (NEADA) has found that low- and fixed-income households spend a greater portion of their total income on energy. On average, these households spend 8.6 percent of their income on energy costs, which is almost three times the rate for non-low- income households at 3.0 percent. NEADA's most recent <u>survey</u> assessing the impact high energy costs have had on the day-to-day actions of low-income households found some disturbing trends:

- 36 percent of those surveyed went without food for a day,
- 41 percent went without medical or dental care, and
- 31 percent did not fill a prescription or took less than prescribed to stretch the supply.

<sup>&</sup>lt;sup>9</sup> Patrice Onwuka, "From Gas to Groceries: Americans Pay the Price of the Biden-Harris Energy Agenda," Testimony U.S. House Committee on Energy and Commerce (September 11, 2024), available at: <a href="https://www.iwf.org/wp-content/uploads/2024/09/Testimony">https://www.iwf.org/wp-content/uploads/2024/09/Testimony</a> Energy-Commerce-2024-.pdf.

<sup>&</sup>lt;sup>10</sup> Katherine Blunt & Jennifer Hiller, "*Electric Bills Soar Across the Country as Winter Looms*" Wall Street Journal (September 18, 2022) available at: <a href="https://www.wsj.com/articles/electric-bills-soar-across-the-country-as-winter-looms-11663493404">https://www.wsj.com/articles/electric-bills-soar-across-the-country-as-winter-looms-11663493404</a>.

<sup>&</sup>lt;sup>11</sup> Brian Reidl, "The pain isn't goin' away: Inflation cost households an extra \$10K," New York Post (December 22, 2022) available at: https://nypost.com/2022/12/22/the-pain-isnt-goin-away-inflation-cost-households-an-extra-10k/.

<sup>&</sup>lt;sup>12</sup> Spencer Brown, "'People will Die': There's Another Supply Chain Crisis," Townhall (March 21, 2023) available at: <a href="https://townhall.com/tipsheet/spencerbrown/2023/03/21/people-will-die-biden-admin-faces-worsening-shortage-of-cancer-drugs-n2620941">https://townhall.com/tipsheet/spencerbrown/2023/03/21/people-will-die-biden-admin-faces-worsening-shortage-of-cancer-drugs-n2620941</a>.

<sup>&</sup>lt;sup>13</sup> Mark Wolf, Congressional Testimony before the House Subcommittee on Labor, Health and Human Services and Education and Related Agencies (May 26, 2022) available at: <a href="https://neada.org/wp-content/uploads/2022/05/LIHEAPHouseTestimonyFY23\_Final.pdf">https://neada.org/wp-content/uploads/2022/05/LIHEAPHouseTestimonyFY23\_Final.pdf</a>.

More broadly, Americans are struggling to find work, buy homes, or keep credit card debt in check:

- 1.3 million American workers have become unemployed in the past 12 months. 14
- The typical American family has lost over \$28,000 due to rampant inflation.
- Credit card debt has reached the highest in history, with more than 1 in 3 Americans reporting they have maxed-out their credit cards.
- Families now need to earn an estimated \$110,000 dollars a year to afford a typical home meaning 65% of households are locked out of buying an ordinary house.
- 8.4 million Americans are now working second jobs the highest in 3 decades.

Many excuses have been made with regard to these outcomes. Most frustrating are attempts by the Biden-Harris administration to blame American companies such as <u>gas station</u> <u>owners</u> or <u>grocery store operators</u> for today's expensive reality. These consequences fall squarely on the shoulders of the Biden-Harris administration as high-cost energy isn't a bug of their radical agenda, it's a feature.

The policy concept of making traditional energy resources more expensive so that preferred energy resources like wind and solar can "compete" is not a new concept. President Obama himself stated "electricity prices would necessarily skyrocket" when discussing his capand-trade proposals. His Energy Secretary Steven Chu made clear the energy goals of the Obama Administration were to "figure out how to boost the price of gasoline to the levels in Europe." When legislative efforts to increase the price of traditional energy resources failed, Team Obama deployed their 'pen and phone' initiative including the Climate Action Plan that sought to rewrite the entire U.S. energy industry as well as the economy with onerous, costly regulations.

Team Biden-Harris has picked up where Team Obama left off, re-weaponizing federal agencies to shut down industries that have fallen out of the Left's political favor regardless of the real-world consequences. Many of the market-distorting subsidies in the so-called Inflation Reduction Act that Vice President Kamala Harris cast the tie-breaking vote, has boosted development of inferior technologies undermining grid resilience, increasing energy costs, and adding on to the financial hardships to everyday Americans.

Further problematic, the Biden-Harris 'whole of the government approach' to addressing climate change has distracted agencies from focusing on their actual missions as they instead

<sup>&</sup>lt;sup>14</sup> Brian Lonergan, "The U.S. Job Market is Booming, But Only if You're Here Illegally," Fox News (September 16, 2024) *available at* https://www.foxnews.com/opinion/u-s-job-market-booming-only-youre-here-illegally.

<sup>&</sup>lt;sup>15</sup> Senator James M. Inhofe, "High Gas Prices are Exactly What President Obama Wants," *U.S. Senate Environment & Public Works Committee Minority News* (February 23, 2012), available at: https://www.epw.senate.gov/public/index.cfm/2012/2/post-abd99705-802a-23ad-4c22-3eaff84a9148.

<sup>&</sup>lt;sup>16</sup> *Id*.

pursue the political goals of the Left. This too has serious consequences. Recent examples include:

- EPA letting down the citizens of East Palestine, Ohio, when the distracted agency made the wrong decision on how to burn off agency waste creating even worse secondary environmental crisis to the initial spill.
  - This is similar to the Gold King Mine Spill<sup>17</sup> and Flint Michigan Water Crisis<sup>18</sup> that occurred during a distracted Obama Administration.
- DOE just granted a South Korean solar company a \$1.4 billion loan guarantee despite recent reports that they violate provisions of the Uyghur Forced Labor Prevention Act.<sup>19</sup>
- NOAA has initiated an investigation into RJK Jr. after he expressed support for President Trump.<sup>20</sup>
- SEC continues to force ESG (environmental, social, and governance) initiatives into corporate America instead of working to stabilize markets at a time when confidence in the U.S. economy is at an all-time low.<sup>21</sup>

These outcomes are a consequence of diverting agency resources, interest, and talent away from fundamental duties because they had been overtaken by political pressures. It not only causes tangible harm to the American public but has also dealt agencies serious reputational damage that has culminated in the form of public distrust.

Suggesting these actions and affiliated consequences are necessary to protect the environment or save future generations from climate change is completely false. In the United States today, we have both the technological capabilities and wherewithal to build efficient energy systems that reliably and affordably deliver energy to all Americans while protecting the environment and reducing emissions. I know this, because I was a part of the Trump Administration that made it happen.

<sup>&</sup>lt;sup>17</sup> Alan Neuhauser, "EPA to Blame for Preventable Gold King Mine Spill," *U.S. News & World Report* (October 22, 2015), available at: <a href="https://www.usnews.com/news/articles/2015/10/22/epa-to-blame-for-preventable-gold-king-mine-spill-interior-dept-finds">https://www.usnews.com/news/articles/2015/10/22/epa-to-blame-for-preventable-gold-king-mine-spill-interior-dept-finds</a>.

<sup>&</sup>lt;sup>18</sup> Shannon Osaka, "The EPA Failed Flint. Now We Know Exactly How," *Grist* (July 19, 2018), available at: <a href="https://grist.org/article/the-epa-failed-flint-now-we-know-exactly-how/">https://grist.org/article/the-epa-failed-flint-now-we-know-exactly-how/</a>.

<sup>&</sup>lt;sup>19</sup> Sheridan Presso, "Solar Firm Gets Millions in US Tax Credits Despite Chinese Labor Questions," *Bloomberg* (July 9, 2024), available at:

 $<sup>\</sup>frac{https://www.bloomberg.com/news/features/2024-07-09/south-korean-solar-company-secures-us-tax-credits-despite-chinese-labor-question.}{\\$ 

<sup>&</sup>lt;sup>20</sup> Tara Sutter, "RFK Jr. confirms he is under investigation for 'collecting a whale specimen," *The Hill* (September 16, 2024), available at:

https://fox2now.com/news/national/rfk-jr-confirms-he-is-under-investigation-for-collecting-a-whale-specimen/.

<sup>&</sup>lt;sup>21</sup> Mandy Gunasekara, "IWF Submits Public Comments Opposing Proposed SEC Climate Disclosure Rule," *Independent Women's Forum* (June 17, 2022), available at: <a href="https://www.iwf.org/2022/06/17/iwf-submits-public-comments-opposing-proposed-sec-climate-disclosure-rule/">https://www.iwf.org/2022/06/17/iwf-submits-public-comments-opposing-proposed-sec-climate-disclosure-rule/</a>.

From 2016 through 2019, as the U.S. economy experienced massive growth, we also <u>cut</u> <u>air pollution</u> by record levels, cleaned up <u>water quality</u>, addressed legacy pollution in soils through the Superfund program, and led the world in <u>cutting greenhouse gas emissions</u>. At the same time, EPA alone finalized 78 deregulatory actions saving an estimated \$99 billion. These savings were invested into businesses and local communities instead of the bureaucracies of Washington, DC.

The good news is that there are many ways to fix the problems caused by poor energy decisions of the Biden-Harris administration. If Vice President Kamala Harris is sincere about some of her recent statements to "turn the page" on the problems of recent years she could actually initiate many of these changes immediately.

In the inevitable meantime, Congress must prioritize the strengthening of our energy grid with proven technologies while encouraging continued innovation. Thoughtful policies aligned with this theme will produce a cleaner environment and growing economy while avoiding the range of current consequences. As I have suggested before, additional policy options include the following:

- Focus on What Works: Fossil fuels provide the bulk of energy we use every day, and that energy use is expected to grow. Policy leaders must accept this fact. Instead of working to ban their use, they should support efforts to make them cleaner and more efficient, not shut them down.
- Stop Taxpayer Funded Market Distortions: Investment and Production tax credits entice power providers to build out wind and solar projects that will not reliably work. Ending these specialized subsidies that were indefinitely extended in the "Inflation Reduction Act" will improve competition that can cut costs and strengthen stability.
- **Protect the Foundation**: Baseload energy is the most important part of a stable energy grid. Policy leaders must consider ways to account for the value of baseload energy, especially with on-site fuel storage that can withstand any supply disruptions and nuclear.
- **Restore Flexibilities to Grid Operators**: Ensure grid reliability or resiliency standards are technology neutral so grid operators and engineers have the flexibility to plan for and respond to major swings in demand.
- Encourage Responsible Innovation: Congress and administrative agencies like the Department of Energy and Department of Defense are a helpful tool in commercializing promising technology. However, these funds must be administered with proper oversight to protect taxpayer investments and avoid Solyndra-like scenarios.
- Establish Balanced Environmental Standards: Set environmental standards based on proven, not prospective, technologies with flexible timelines for compliance.
- Unleash U.S. Oil and Gas: Revoke Biden-Harris anti-fossil energy policies and their new tax on natural gas, cut red tape, open up public lands and waters to

- development, and support the development of affiliated infrastructure including refineries and pipelines.
- **Support a Modern Workforce**: Expand training programs for prospective and current energy workers through apprenticeships and STEM-focused development.
- **Reject ESG**: Ensure access to capital and credit is based on a company's merit and not compliance with arbitrary versions of political correctness from the Left.

The radical agenda from Team Biden-Harris has caused significant hardship and unnecessary costs on the American people without delivering tangible benefits. America needs more energy. With the right policies in place and a pragmatic mindset from our leaders, we can build a strong energy economy that delivers lower costs for consumers and reverses the negative consequences of the past 3.5 years.