Chairman Brett Guthrie

Opening Statement—Subcommittee on Energy

"Scaling for Growth: Meeting the Demand for Reliable, Affordable Electricity"

March 5, 2025

As prepared for delivery

Today's hearing continues our important work to *identify* what is necessary to unleash American energy for the benefit of the public, the economy, and our national security.

Without question, energy and especially the affordable, reliable delivery of electric power, is essential for America to make and do the things needed for a secure and strong economy.

Affordable, reliable power is essential for growing manufacturing, for advancing the great promises of AI, and for producing the goods and services our constituents rely upon.

It is essential for health and safety.

To ensure we have the right federal policies, we must examine how the key players in our power sector—the utilities, grid operators, state and federal regulators—are preparing for a future of extraordinary electricity growth.

The witnesses today who work to provide power will help us in this examination.

A pair of tough challenges makes our task particularly urgent.

The first challenge concerns the factors behind the emerging reliability crisis.

In recent years, we have witnessed the failure to ensure there is power when our communities need it the most.

This crisis has been caused by the loss of huge amounts of reliable baseload and dispatchable generation across many regions of the nation following misguided regulation, without adequate replacement of those resources.

The resulting threats of blackouts and brownouts, even in normal peak demand conditions have been extending across the most populous regions of the nation, as authorities like the North American Electric Reliability Corporation show.

Federal and state policies have driven growth of intermittent—or weather-dependent—wind and solar generation, at the expense of the generation we will need for a reliable system.

This has increased risks for tens of millions of Americans.

Many of our constituents have already experienced costly and deadly power outages. This started in California and then we witnessed it in Texas three years ago during Winter Storm Uri.

Just two years ago, Southeast and East Coast communities—including in Kentucky—lost power due to lack of supply during another severe winter event.

In that same event, millions of homes came close to catastrophically losing natural gas service in New York City. It is chilling to think how deadly this could have been.

The root cause of this situation is the lack of reliable generation capacity and constraints on natural gas supplies.

We must examine what is being done, how it is being done, and what should be done to shore up our generation resources and expand our energy availability, in order to reverse the dangerous decline in reliability.

The second challenge involves the huge new energy demand of AI and related cutting-edge technologies.

The need for power to expand and advance AI in America is coming with a blinding fast urgency that represents a generational change in the need for more reliable electricity.

This presents its own unique challenges, layered upon the existing problems and threats.

This hearing will help us understand what is being done by the power-sector utilities and operators to meet these challenges and respond to the urgency of exploding demand.

Importantly, while growth of AI demand is exposing the current risks in our electric system, it is presenting a great opportunity to revisit our energy priorities and restore the electric system to its full potential.

This will benefit the nation in countless ways. It will enable the nation to grow, prosper, and assure security in a dangerous, adversarial world. It will improve the lives and economic security in the communities we represent.

Thank you Chair Latta. I welcome the witnesses.

At this time, I would like to yield 30 seconds to Rep. Fedorchak.

I yield back.