

Chairman Robert E. Latta
Opening Statement—Subcommittee on Energy
“Scaling for Growth: Meeting the Demand for Reliable, Affordable
Electricity”
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As prepared for delivery

Welcome to today’s hearing “Scaling for Growth: Meeting the Demand for Reliable, Affordable Electricity.”

Today, we will discuss the state of our nation’s bulk power system and the opportunities that lie ahead in the next generation economy.

Our nation’s electric grid, built over the course of almost 150 years, has been referred to as the most complex, sophisticated machine known to mankind.

When operating correctly, the U.S. grid efficiently delivers low cost, reliable energy to communities of all sizes.

Through extensive planning, coordination, and collaboration from a host of government and industry partners, this complex process seamlessly responds in real time to maintain reliability in both normal and extreme weather conditions.

Yet today, historic increases in electricity demand, primarily from energy intensive AI models and domestic manufacturing, are exposing key impediments to the ability of utilities, grid operators, and generators to keep the lights on.
When the lights go out, people’s lives are at stake.

The entities charged with overseeing our electric grid have been warning of potential shortfalls under normal weather conditions – extreme weather or unforeseen circumstances could turn catastrophic.

In 2025 alone, the Energy Information Administration projects that 12.3 gigawatts of coal capacity are set to retire. By the end of the decade, the North American Electric Reliability Corporation projects as high as 52 gigawatts of thermal generation will retire.

The stakes could not be higher.

Across the world, our adversaries are actively seeking to undermine US leadership on the world stage to write the rules of the next generation economy.

Nations like Communist China, who does not share our democratic values, are seeking to develop world leading AI models through an authoritarian, military lens to export their command-and-control style of governance across the world.

Yet within this emerging crisis, there's an opportunity for our nation to correct course and grow job creating industries here at home.

But to get there, we need more energy and we need it fast.

The Department of Energy's Berkeley Lab estimates that U.S. data center load growth alone is projected to double or triple by 2028.

My district, home to over 86,000 manufacturing jobs, is keenly aware of the energy demands of industrial facilities.

Unfortunately, misguided decisions of the Biden administration severely constrained our avenues to increase and strengthen energy production.

The Clean Power Plan 2.0 is driving accelerated pre-mature retirements of baseload power.

Permitting barriers for new natural gas pipeline infrastructure are handicapping regions of the country, such as the Northeast, that are desperate for energy.

Meanwhile, subsidized intermittent energy resources and public policy decisions to favor renewable energy are flooding interconnection queues and making baseload power from coal, natural gas, and nuclear near uneconomic.

Making a bad situation worse, generation developers continue experiencing ongoing supply chain constraints for distribution transformers and generation turbines.

As we will hear today, House Republicans are not alone in raising the alarm.

Today's discussion will help illuminate the ways in which grid operators, utilities, and co-ops are all addressing these challenging dynamics to protect reliability and affordability while providing the opportunity to grow job creating industries.

The witnesses before us will provide a wholistic view of the nation's electricity system, the unique characteristics of each respective region of the country, and the challenges facing different grid governing regimes.

PJM, the nation's largest Regional Transmission Organization, which spans 13 states and Washington, D.C. including my home state of Ohio, organizes competitive wholesale markets to buy and sell electricity and monitors reliability standards across their multistate footprint.

In the west, Basin Electric Co-operative members serve three million consumers across nine states, spanning both vertically integrated states and organized markets.

Southern Company, a traditional vertically integrated utility, reliably serves customers across the southeast with a diverse portfolio of generating resources.

I look forward to the discussion today about how each respective entity and region are confronting this new frontier of demand expansion.

This committee will play an integral role in laying the groundwork to unlock the necessary capital investment for job creating industries, while ensuring affordable and reliable energy for American households and small businesses.

Thank you and I yield back the balance of my time.