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OPENING STATEMENT
Energy and Environment Subcommittee Hearing

***Deepwater Drilling Technology, Research, and
Development***

Wednesday, June 23, 2010 at 10:00 am
2318 Rayburn Office Building

Mr. Chairman, thank you for holding this hearing today on deepwater drilling technology, research, and development.

As the response effort in the Gulf enters its third month, we are beginning to get a clearer picture of what went wrong on the *Deepwater Horizon*, and what needs to be done to make sure it doesn't happen again.

I hope and expect the S&T Committee to play an important role in this effort, particularly as we inform and contribute to the legislative package that the House will pursue in July.

This package will surely include guidance on what is arguably the most important aspect of the government's response to the disaster going forward—whether or not to lift the President's current six-month moratorium on deepwater drilling, which was halted by a Federal judge just yesterday on the grounds that it was not sufficiently justified.

The economic impact of the moratorium will be deep and lasting. Thousands of people have lost their jobs already, and an estimated 40,000 additional jobs ~~the livelihoods of thousands more~~ hang in the balance as the length and uncertainty associated with the moratorium remain unsettled.

Beyond jobs, the moratorium also introduces significant new environmental risks. The enormous global demand for drilling rigs is likely to result in their departure from the Gulf to other countries, increasing U.S. dependence on imported oil—and on oil tankers, which are much more prone to spills than undersea pipelines.

The moratorium is also driving skilled workers off of the rigs and into onshore jobs, meaning that a high percentage of new, less experienced workers will be responsible for operations when drilling resumes.

These events related to the moratorium appear to *increase*, not decrease, environmental risks, while inflicting economic damage on the people of the Gulf that will rival—if not surpass—that caused by the spill itself. Accordingly, Congress and the Administration owe it to the people of the Gulf to move deliberately and quickly on this question.

I hope that today's hearing will be informative in this regard, and I am pleased that we have some of the world's leading drilling technology experts before us. I hope the witnesses can help the Committee better understand the contributing factors to the *Deepwater Horizon* disaster, particularly as it relates to the

soundness of the drilling technology itself, versus the practices governing its use and application.

The evidence gathered thus far indicates that technology concerns were not the problem; rather, it was BP's pattern of repeatedly cutting corners and ignoring industry-wide best practices that led to the blowout. If this is indeed the case, it is my hope that these procedural shortcomings can and should be addressed quickly, and the moratorium can be lifted soon thereafter.

Regardless of the ultimate causes of the disaster, it makes sense to continue pursuing improvements to deepwater drilling architectures and systems.

In 2005, I led creation of a program to do just that at the Department of Energy. Known as the “Section 999” or “Ultra-Deep” program, it supports cutting-edge technology through a collaborative effort between DOE and industry into safe and environmentally responsible offshore and onshore oil and gas development.

The program has been a success—its contributions to deepwater drilling technologies are helping us recover energy supplies that we knew existed but were unable to access. This has returned significant benefits to taxpayers in the form of domestic jobs and affordable energy, as well as increasing royalties to the fund that pays for the program in the first place.

Unfortunatly, and despite the program's strong record of support in Congress, the Administration has repeatedly called for its termination, and also zeroed out funding for oil and gas R&D within the fossil energy program at DOE. I think this represents a clear mis-prioritization, and I hope the Administration will reconsider its position in light of the Section 999 program's potential to advance safe and environmentally responsible drilling.

I thank the witnesses for appearing before us today, and I look forward to the testimony and discussion.

I yield back.