

**U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SUBCOMMITTEE ON ENERGY & ENVIRONMENT**

Advancing Coal Research and Development for a Secure Energy Future

**Thursday, October 13, 2011
2:00 p.m. to 4:00 p.m.
2318 Rayburn House Office Building**

Chairman Andy Harris Opening Statement

I want to welcome everyone to this afternoon's hearing on *Advancing Coal Research and Development for a Secure Energy Future*.

According to the Department of Energy, coal delivered 45 percent of America's electricity supply in 2010, totaling 22 quadrillion BTUs ("quads") of energy. This output is expected to grow an additional 25 percent by 2035. Dependence on coal is similar outside the U.S., representing 40 percent of global electricity generation.

Coal delivers plentiful, affordable, and reliable electricity to millions of homes and businesses every day. It provides power to the industrial and manufacturing sectors that drive our economic engine. Rarely, however, has a beneficial, life-improving resource upon which we depend so heavily been so maligned.

Despite steadily improving efficiency and significantly cleaner processes, coal suffers from a reputation that leads many to think—wrongly—that we'd be better off without it.

This animus seems to be at an all-time high. In recent weeks, this committee has spent considerable time examining the pending onslaught of regulations aimed at energy producers. The review has highlighted the immense challenges facing the coal sector in light of EPA's dogged—and scientifically questionable—efforts to order major changes to the electric generation system.

The widespread negative impact of EPA's forthcoming regulations are acknowledged even at senior levels of the Obama Administration. An analysis by the Federal Energy Regulatory Commission (FERC) found that 40 gigawatts of coal-fired power generation could be forced into retirement, and that "could have drastic consequences for many parts of the country." Similarly, DOE Deputy Assistant Secretary for Fossil Energy Jim Wood has estimated that EPA rules could force up to 70 gigawatts of coal offline, adding:

"Number one, electric rates are going to go up. Number two, whether or not construction jobs in the green industry are created, I think there are virtually no manufacturing jobs that are likely to be created from the replacement of coal. Three ... transmission grid

stability is likely to emerge as a major issue, both because of the shutdowns and because of the intermittency of renewables.”

The impact of Administration policies on electricity prices and coal plant shutdowns should come as no surprise. On the campaign trail in 2008, President Obama said openly and clearly that his regulatory regime would bankrupt coal companies and necessarily cause electricity prices to skyrocket.

Fortunately, the President’s wildly expensive vision for cap-and-trade was also wildly unpopular with the American people, and soundly rejected by Congress.

These concurrent events—the death of cap and trade and EPA’s bonanza of new air regulations—beg the fundamental question before us at today’s hearing: does it make sense for DOE to continue focusing its \$400 million coal R&D effort almost exclusively on carbon capture and sequestration (CCS), particularly in light of the need for, and potential of, advanced technologies to significantly increase coal utilization efficiency and benefit the environment?

This exclusive focus certainly doesn’t make sense to me. Considering that DOE’s *goal* is to find CCS technology that “only” increases electricity costs by 30 percent, I have to question whether we should be investing taxpayer dollars on a technology that likely never will be commercially viable in the absence of carbon constraints that Congress has already rejected. Perhaps instead of exclusively pursuing what appears to be an expensive and inefficient technology, we could facilitate the development of technologies with *greater* thermal efficiency that could achieve lower pollutant emissions.

To this end, I look forward to hearing witness recommendations on potential coal technology R&D opportunities that are not currently being addressed by DOE, and how best to prioritize those opportunities within the current budget environment. I also hope to learn more about the status of, outlook for, and lessons learned from the \$3.4 billion in Stimulus-funded CCS demonstration projects.

I yield back the balance of my time and recognize Mr. Miller for his opening statement.