



Opening Statement
Hearing to Examine the Minerals Needed for Clean Energy
Senator Lisa Murkowski
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I want to start today not with the topic of our hearing, but the topic of the day, the topic that’s been dominating our headlines and that’s the attacks over the weekend on Saudi oil infrastructure, which have threatened Middle East security and rattled global oil markets.

I certainly condemn these attacks. I think all of us do and those who perpetrated them. I have read the classified briefing that’s available to all members. I spoke last night with Deputy Secretary of Energy. And while the details and impacts are still publicly emerging, it is clear our intelligence and national security teams certainly have a lot of work to do, in concert with our partners in the region.

I think we all recognize that this is a difficult situation. That’s putting it mildly, but as I look to where we are today, I think we also recognize that the impact that we are seeing could be worse. Over the weekend we saw 5.7 million barrels of oil go offline. Yesterday WTI closed at less than \$62 a barrel. I think we will likely see higher gasoline prices in the days and weeks ahead. It’s never a good thing. But I would urge the committee, urge all of us, to kind of think about how much worse the situation could have been were we 10 or 12 years ago.

These attacks in my mind are a reminder that there is no substitute for American energy production, which has grown into a stabilizing force for world markets.

They are a reminder of the importance of good policy that recognizes the global nature of modern energy. When you think about how the markets would have reacted, and what our allies would be asking, if hadn’t lifted our crude export ban in 2015.

These attacks are also a reminder that we need to maintain a robust and functional Strategic Petroleum Reserve, and not simply treat our emergency stockpile as an ATM to pay for unrelated spending. You hear me talk about that all the time. This is just a reminder of why we want to make sure that we have reserves at the ready.

I’m certainly going to be paying close attention to this situation in the days and weeks ahead. But for anyone wondering why so many of us believe that supply matters – American supply, from places like my state of Alaska – now you know. Our production creates jobs, generates revenues, helps keep energy affordable, and strengthens our national security.

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Unfortunately, these attacks are also relevant to our subject this morning, which is minerals. We’re heavily or entirely dependent on foreign suppliers for dozens of these commodities. We don’t have guaranteed supplies, much less stockpiles or even strategic reserves, to cover ourselves in the event of a shortage.

We’re here this morning to discuss the minerals needed for clean energy technologies, particularly renewable energy. And I will make just a simple observation here: if we do not address our domestic mineral supply chains, we will dramatically lower the chances that America can lead the world on renewable energy and other key industries of the future.

Minerals are the fundamental building blocks for any modern technology, whether they are light bulbs or computers or airplanes. In the energy world, batteries don’t work without lithium, without graphite, cobalt, and nickel. Solar panels

require silver, gallium, indium, and tellurium. And wind turbines are built not just from steel, but also from aluminum, from copper, and rare earth elements.

And we all know these minerals don't just appear out of thin air. They are mined from the ground. They are processed. They are refined into materials that can be manufactured into an end product. You've heard me refer to the 'immaculate conception' theory of energy – where many people think you can flip a switch, and the lights come on, or you pull up to a gas station, and miraculously fuel there – but this is also applicable and equally wrong on the minerals side.

Sometimes I think it's hard for people to acknowledge that the products that we rely so heavily on, whether it's your cell phone or otherwise, are built from things that come from the ground.

Right now, the United States is falling further behind in the global race to control supply chains for new technologies. Allowing that to happen is a massive strategic mistake, impacting everything from our ability to create high-paying jobs to our national security and influence on the global stage.

We are already behind the curve. We will hear today how China is consolidating control of the entire supply chain for clean technologies, from raw minerals mined out of the ground to manufacturing solar panels and recycling batteries. Chinese companies are going into countries like the Congo, Chile, and Argentina to control cobalt and lithium mines. They are even taking the small amounts of rare earths that are produced in California, and then processing them in China, and then they export it back to the U.S. because we don't have domestic capability to do it ourselves.

I've been calling attention to this issue for almost a decade now. I feel like we're gaining some traction in these past couple years. I commend the administration for its attention to this issue, including its recent report with dozens of recommendations to increase America's mineral security.

And yet, the fact remains: that so many countries are doing a lot more.

For example, Australia has also released a critical minerals strategy. Theirs is much more aggressive than ours. Countries like Canada are far more efficient in permitting than the U.S., giving them a distinct advantage in the global competition for investment dollars.

The other piece of this discussion is the national and global push to transition our energy systems to renewable energy. And as we have those discussions, we need to take a holistic approach and keep in mind the increases in mineral demand that these technologies will inevitably lead to.

This morning, I am releasing a short report from the Congressional Research Service that summarizes three different analyses of the quantity of materials needed to meet various renewable and greenhouse gas emission goals. One comes from the World Bank, which forecasts that demand for certain minerals will increase by more than 1,000 percent under an aggressive scenario to limit warming.

I think that the United States is certainly capable of being a leader in this area. We've got incredible, high-grade mineral deposits. We have the highest labor and environmental standards in the world. But we have to find the political will to advance policies that will allow us to rebuild a robust domestic supply chain.

I'm hopeful that by highlighting the direct link between minerals and clean energy technologies, we can gain additional support for our legislative efforts—which are designed to help us avoid future shortages and strengthen our manufacturers.

So, as we begin this morning, I'd like to thank our witnesses for joining us. I understand that most of you changed travel plans to be here, which we greatly appreciate as we focus on this critical issue this morning so thank you for that.

And I now turn to my ranking member Senator Manchin.

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