

American Energy Jobs: Opportunities for Innovation

House Natural Resources Subcommittee on Energy and Mineral Resources

June 12, 2014

Witness Panel

Mr. Cary Ralston

Vice President/General Manager, ATK Missile Products Division

Mr. James King

Vice President, Unconventional Completions, Baker Hughes Incorporated

Mr. Donald “Chip” Stoicov

Vice President, Oil & Gas And Industrial Gas Services, Air Liquide Industrial U.S. LP

Mr. Matthew Stepp

Executive Director , Center for Clean Energy Innovation

Senior Policy Analyst, The Information Technology & Innovation Foundation

Committee Members Present

Doug Lamborn (R-CO), Chairman

Rush Holt (D-NJ), Ranking Member

Markwayne Mullin (R-OK)

Glenn Thompson (R-PA)

Jim Costa (D-CA)

On June 12, the House Natural Resources Subcommittee on Energy and Mineral Resources held a hearing focusing on innovation in the energy industry and technology developed in fields such as natural gas extraction and alternative energy. The hearing, “American Energy Jobs: Opportunities for Innovation,” is part of a series of hearings Chairman Doug Lamborn (R-CO) has held on topics related to the energy field, including jobs, efficiency, and manufacturing.

Witnesses represented companies in the private sector working to find new uses for existing technologies, such as hydraulic fracturing, as well as companies seeking to invest in energies outside of fossil fuels, like wind and solar. Witnesses discussed ways in which these technologies lead to job growth in the geosciences.

Rep. Lamborn began the hearing by asserting that innovators have reached new frontiers in American energy that increase safe and efficient energy extraction. Rep. Lamborn also stressed the notion that hydraulic fracturing has unleashed a new era in energy creation.

Witnesses Cary Ralston and Donald Stoichovy each highlighted new technologies that reduce the dependence on water for hydraulic fracturing. Mr. Stoichovy elaborated on new techniques in which nitrogen foam-based fluids are used as a substitute for water in the fracturing process. Responding to questions from Ranking Member Rush Holt (D-NJ), who expressed skepticism about the new process’s ability to eliminate water from the fracturing process, Mr. Stoichovy acknowledged that water would still be necessary, but to a lesser degree. Rep. Lamborn highlighted the importance of this technology in areas of the country where water remains a scarce resource.

Witnesses emphasized that recent innovations will lead to job creation and economic growth. James King pointed out that hundreds of millions of dollars have been invested in infrastructure in Oklahoma, North Dakota, and Pennsylvania, while Mr. Stoichovy claimed that in 2015, there will be over 1.5 million jobs in the unconventional gas industry.

Rep. Jim Costa (D-CA) questioned the witnesses about the economic viability and current availability of their technologies. Mr. King stated that the new processes have been successfully applied in basins around the country, but that the technologies must be tailored to the specifics of each geologic formation and tested before the cost-effectiveness can be determined.

Rep. Holt stated that the country must continue to “overcome its dependence on carbon-intensive energy,” and witness Matthew Stepp asserted that in order to do this, subsidies and tax credits for fossil fuel development must be eliminated, and the funds

transferred to research and development in clean energy. Mr. Stepp also suggested the subcommittee take up the America INNOVATES Act (S. 1973), currently under consideration in the Senate, to eliminate barriers to innovation at the Department of Energy (DOE).

The subcommittee will continue its evaluation of energy jobs in a hearing on June 18 focused on opportunities for state and local governments to benefit from increased energy production.
