

National Association of State Energy Officials

March 4, 2025

The Honorable Bob Latta Chairman, Subcommittee on Energy House Energy and Commerce Committee U.S. House of Representatives Washington, DC 20515

The Honorable Kathy Castor Ranking Member, Subcommittee on Energy House Energy and Commerce Committee U.S. House of Representatives Washington, DC 20515

Dear Chairman Latta, Ranking Member Castor, and Members of the Subcommittee:

On behalf of the **National Association of State Energy Officials (NASEO)**, thank you for the opportunity to submit this letter for the record of the Subcommittee's hearing entitled, "Scaling for Growth: Meeting the Demand for Reliable, Affordable *Electricity.*" NASEO represents the 56 governor-designated energy directors and their offices from every state and territory, and our members are committed to ensuring that every American community has access to **reliable, resilient, and affordable** energy.

State-Federal Coordination

NASEO commends the Subcommittee's leadership in exploring policies to modernize the nation's electric grid and meet rapidly growing demand. **Collaboration between federal agencies and State Energy Offices** is critical for ensuring effective solutions that secure affordable, reliable electricity while boosting **economic growth** and **job creation**. State Energy Offices, supported through the U.S. Department of Energy's (DOE) State Energy Program (SEP), bring on-the-ground expertise, program design, and policy leadership to bear on complex energy challenges. Their generally **non-regulatory** role, spanning all energy sources—petroleum, natural gas, and electricity—makes them well-positioned to forge partnerships with utilities, local governments, and private-sector stakeholders.

Meeting Rising Power Demand

States are taking decisive steps to ensure adequate and reliable **electricity supply** to meet the needs of growing industries such as data centers and manufacturing, as well as the accelerating electrification of transportation. **Load planning**, **infrastructure permitting**, and thoughtful integration of both **conventional** and **emerging** generation sources are indispensable to sustaining economic momentum. By leveraging SEP resources, states design and implement strategies that anticipate future consumption, reinforce critical infrastructure, and enhance grid and fuels resilience against weather events, cyber threats, and aging equipment failures.

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Innovative Technologies and Partnerships

States are at the forefront of deploying next-generation solutions in artificial intelligence, advanced data management, and **clean energy** technologies that can improve system operations and reliability. To support these objectives, NASEO and a geographically diverse group of State Energy Offices launched the <u>Advanced Nuclear First Mover Initiative</u> (Initiative) on February 5, 2025. This effort has participation by the State Energy Offices of Indiana, Kentucky, Maryland, New York, Pennsylvania, Tennessee, Utah, Virginia, West Virginia, and Wyoming. By exploring new approaches to reduce financial and technology risks, streamline federal permitting, define supply chain needs, and develop state-federal-private financing structures, the Initiative seeks to ensure that advanced nuclear can provide firm, clean power to bolster reliability, affordability, and sustainability.

Governors from these states have voiced their strong support for this initiative and cited the importance of advanced nuclear technologies in meeting rising energy demand while spurring economic development. Ultimately, this Initiative strives to **reduce the cost** of delivering advanced nuclear technologies while **strengthening reliability** and maintaining affordability for households and businesses alike.

States across the country, especially in the west, have been accelerating their work to **promote geothermal energy**. The western governors on a bipartisan basis and their State Energy Offices are pushing to identify sites and reduce permitting problems. And DOE has identified geothermal energy potential in several southern states as well. We urge the Committee to look at ways to reduce federal permitting challenges at agencies in coordination with the House Committee on Natural Resources. Interconnection of these sites is critical and the regional transmission facilities can play a significant role in accelerating this resource. The State Energy Offices in the region are working together to coordinate with private developers and utilities to bring these resources to the grid.

Electric Transmission and Distribution Planning

NASEO is working closely with the individual states to accelerate electricity transmission and distribution planning and implementation through the expanded statutory authority under SEP. The State Energy Offices are supporting streamlined permitting, planning, site banking, coordination with the DOE Office of Electricity, work with the North American Electric Reliability Corporation (NERC), interaction with the Federal Energy Regulatory Commission (FERC), coordination with state utility commissions, electric utilities, economic development agencies, developers, residential and commercial energy users, and others to support a more robust transmission and distribution system. Holistic approaches are the hallmark of this initiative. Support from the Committee is essential as we move forward to create a responsive 21st century electric system. NASEO commends Chairman Latta and Representative Matsui for their leadership last Congress and introduction of the SECURE Grid Act, which would empower states to more fully assess threats to the transmission and distribution systems.

Role of State Energy Offices in Energy Security

Finally, **energy security** – electricity, natural gas, petroleum products – remains central to the mission of every State Energy Office. From preparing for and responding to natural and manmade disasters, to addressing evolving cyber threats, our members serve as key partners to federal agencies, utilities, fuel providers, and local governments. They coordinate energy emergency and resilience plans, conduct energy emergency exercises, provide critical response and recovery support during emergencies, and maintain DOE-recognized State Energy Security Plans—supported by SEP cost-match funding–to prepare for and mitigate energy supply

disruptions. State Energy Offices' energy emergency planning and response actions cover all hazards and all fuels – electricity, natural gas, and petroleum products. When energy supply disruptions occur—resulting from hurricanes, cyberattacks on pipelines, wildfires, or severe winter storms—State Energy Offices help **minimize economic impacts**, protect consumers, and restore critical services quickly to save lives and livelihoods.

Recommendations

Considering these urgent challenges and opportunities, NASEO respectfully requests that the Subcommittee:

- 1. **Support Continued State-Federal Collaboration.** Robust funding for the State Energy Program–SEP–and other key federal initiatives will enable states to innovate, expand advanced technologies such as **advanced nuclear**, **grid-scale storage**, and **geothermal energy**, and enhance their emergency preparedness activities.
- 2. Facilitate Infrastructure Permitting and Deployment. Streamlining siting and approval processes for both traditional and emerging generation resources—along with necessary transmission investments—will be essential to delivering reliable, affordable electricity.
- 3. Advance Modernization and Security. Encourage policies that promote grid resilience and cybersecurity, expand systems capable of meeting higher demand, and support crucial R&D in artificial intelligence and clean energy solutions.

Conclusion

Thank you for convening this important hearing and for focusing on the strategies needed to scale our electricity system for growth. NASEO stands ready to work with you, DOE, and public-private stakeholders to ensure that **American families and businesses** have the **reliable**, **affordable**, **and clean** electricity they need today and in the future. If you have any questions or would like additional information, please contact me at 703-395-1076 or DTerry@NASEO.org.

Best regards,

David Terry, President, NASEO National Association of State Energy Officials 1300 17th Street, North Arlington, Virginia 22209