

TESTIMONY OF ANTHONY CLARK

NOMINEE TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY

COMMISSION

Before the

Committee on Energy and Natural Resources

Of the

United States Senate

March 20, 2012

Thank you Chairman Bingaman, Ranking Member Murkowski and members of the Committee. I am greatly honored to be before you today as a nominee for the Federal Energy Regulatory Commission (FERC). I would like to thank President Obama for nominating me. I also wish to thank Senator McConnell for his support. And I am especially pleased to acknowledge my own two Senators from North Dakota. Senator Hoeven's and Senator Conrad's support means a great deal to me, and I appreciate their kind words regarding my nomination. Last, but most importantly, I want to acknowledge my family, who has been so supportive of my career in public service. To my wife, Amy and our three boys Thomas, Alex and Michael, and to my parents; you have always been there for me. The distance between North Dakota and Washington, DC keeps them from being able to be here in person today, but I know they are with me in spirit and are watching on the Internet and I just wanted them to let know how much they mean to me.

FERC does extremely important work on behalf of the American people. Its work plays a critical role in protecting our energy consumers and the infrastructure that provides them some of the basic necessities of life in the modern world. If confirmed by the Senate, I would look forward to putting to

good use the experiences I have gained over the last approximately 18 years. I have had the tremendous honor of serving the people of North Dakota since I was in my early 20's; first as a state legislator, then as a state employee, the head of a cabinet-level agency, and for the last nearly 12 years as a member of the state's top utility regulatory body.

Perhaps the best way to introduce my experience to the committee is to tell the story of North Dakota over the last decade. Since January 2001, I have served as a Public Service Commissioner for the state of North Dakota and today I am the senior member and Chairman of the North Dakota Public Service Commission (NDPSC). When I first joined the NDPSC, our state had a regionally important energy sector, comprised of several base load lignite-fired power plants, and one large Western Area Power Administration hydro dam. In the year 2000, North Dakota was effectively 50th in wind energy production, with no commercial wind farms. And as recently as 2006, North Dakota was the nation's 9th largest oil producing state.

What a difference a few years have made in the life of my home state. Today, North Dakota is amongst the top 10 wind energy producing states, with approximately 1,400 MW of capacity. We have sited, or are in the process of siting, hundreds of miles of new electric transmission lines. North Dakota is a leader in clean coal and innovative carbon capture and sequestration projects. Hundreds of millions of dollars have been invested in oil and gas pipelines and processing infrastructure. And it was just announced that North Dakota is now the nation's third largest oil producing state, and is expected to be second only to Texas within as little as a year. When taken together with our large biomass and biofuels potential, North Dakota has truly become an "all-of-the-above" energy state.

As Senator Hoeven has often said, both as our Governor and now as our Senator, this dynamic energy economy is the result of not only North Dakota's god given natural resources, but also having the right legal, tax and regulatory climate in place. In my current job, I cannot take much credit for our legal and tax policy. I can report the NDPSC has a lot to say about regulatory policy. In authorizing projects, we take pride in not cutting corners. In many ways, we have some of the most comprehensive policies related to what is expected of projects in terms of mitigating impacts on the welfare of citizens and on our state's natural, cultural and historic resources. At the same time, we have worked to ensure that unnecessary bureaucracy does not hold up regionally or nationally needed projects.

Much like the FERC at the federal level, the NDPSC is the lead regulatory agency at the state level for jurisdictional matters related to investor owned utilities, pipelines and the siting of energy development projects. In my tenure of office, I have participated in proceedings that have authorized approximately \$6 billion in energy infrastructure projects. At the same time, our state's consumers pay some of the lowest energy rates in the nation, and our environment is among the best. North Dakota is a leader in meeting air quality standards. And programs such as those carried out by the NDPSC's Mine Reclamation Division, are considered world-class. Having hands-on experience in helping to regulate and shape energy policy during this period of rapid change has given me insights into both the opportunities and challenges associated with energy development. It is this unique experience that I hope to draw upon should I be confirmed.

Another experience that I have had that I would draw upon is one that extends beyond the borders of North Dakota. In November of 2010, I was unanimously elected by my state commissioner colleagues across the nation to serve a one year term as President of the National Association of Regulatory Utility Commissioners (NARUC). In that role, I was the lead state commissioner responsible for representing the association before numerous stakeholders. My experience leading this organization of regulatory professionals gave me a valuable understanding that can perhaps only be developed through a position

like the one I held. As a leader within NARUC, I worked hard to ensure that all voices were heard. I successfully worked across regional lines, philosophical lines and party lines for consensus oriented solutions that benefitted our nation's consumers. This experience, perhaps more than any other that one could have, deepened my respect for, and my understanding of, the regional diversity that exists across the country.

If I am confirmed, I will take this broad understanding of how energy regulation works at both the state and federal level with me to the FERC. Since my nomination, I have been truly humbled by the support I have received from my state colleagues across the country, and I want to acknowledge them at this time. Over the years, I have learned much from them. It is probably safe to say there is not a single state across the country with which I have not had at least some interaction. And should I be confirmed, I will be a much better Commissioner for that experience.

Mr. Chairman and members of the Committee, the FERC has big issues ahead of it. Developing infrastructure in the right way, facilitating Americans' access to affordable, reliable, environmentally responsible forms of energy, protecting our nation's critical assets; these are all top of mind issues for me, as I know they are for you. As someone who first cut his teeth in public service as an elected member of the state House of Representatives, I have a tremendous respect for the legislative branch of government and a tremendous respect for the sacrifices you have all made to serve your constituents. If confirmed, I look forward to engaging with you on these important issues, and would be happy to provide whatever expertise I may have in the furtherance of your important work.

That concludes my testimony. I would be pleased to answer any questions you may have.