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Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
Hearing on “American Energy Security and Innovation: The Role of a Diverse Electricity
Generation Portfolio”
Subcommittee on Energy and Power
March 5, 2013

Today, the Subcommittee is going to look at the electric utility industry and America’s evolving electricity generation portfolio. There is no question that a significant transition is underway and today’s hearing is the first in a series.

Cheap natural gas is also helping to transform our electricity sector. This market reality is driving a shift away from the use of polluting coal to generate electricity. Even boosters of coal acknowledge that it is not cost-effective to build new coal plants today.

State and federal renewable energy policies are paying off. We have doubled our capacity to generate renewable electricity from wind and solar in just four years. This has cut pollution and invigorated clean energy manufacturing. The cost of renewable energy is rapidly declining. Wind power is already cost competitive with fossil fuel generation in some parts of the country. Last year, for the first time, wind power added more electricity generation capacity than any other resource. Nearly half of all new generation capacity came from wind.

These changes are positive developments, but we will hear today that controlling carbon pollution would reduce the diversity and resilience of our energy supply.

I have exactly the opposite view. In this Committee, we like to pretend that there is no connection between how we generate our energy and climate change. But the fact is, climate change is the biggest energy challenge we face as a country. We can’t have a conversation about America’s energy policy without also having a conversation about climate change.

In November, the International Energy Agency concluded that if the world does not take action to reduce carbon pollution before 2017, then it will be impossible to prevent the worst effects of climate change because of the carbon dioxide emissions that would be locked-in by energy infrastructure existing at that time.

That means that the energy policy decisions that we make today will have a real and direct impact on whether we can prevent the worst impacts of climate change in the future.

Every decision to build a new fossil fuel-fired power plant poses climate risks. We need to understand and weigh those risks.

Otherwise, we are going to be locking in infrastructure that will produce carbon pollution for decades to come or creating stranded investments that must be shut down before they have served their useful life.

Ideally, this Committee would listen to the scientific experts and enact a responsible energy policy that recognizes the reality of climate change. But as the President said in his State of the Union Address, he will act if we don't. EPA's proposed carbon pollution standard for new power plants is a good first step. It is a fuel-neutral standard that requires new plants to keep their pollution below a specified level.

The proposed standard provides compliance flexibility and incentives for the deployment of carbon capture and sequestration technologies. Both natural gas and clean coal can meet this standard, which creates a level playing field for fossil fuel-fired generation.

Some utilities don't like this proposed rule. The question we should ask them is how they can reconcile unrestrained and ever-increasing carbon pollution with the scientific reality of climate change.

I am glad we are providing a forum to electric utilities today. I know we're going to have a second hearing to hear from federal and state electricity regulators. That will help us get another valuable perspective on the issues facing the electricity sector.

But we also need to hear from the scientists who can explain to us why EPA should take action to address climate change. Chairman Whitfield, I would like to make a request at this time that you schedule such a hearing as the third in this series to ensure that the Subcommittee hears all sides of the issue.

If you want an all-of-the-above portfolio, we've got to have policies that will encourage alternatives to fossil fuels. And by denying the tax breaks for wind and solar energy, by subsidizing oil, by ignoring the full consequences of fossil fuels and the impact they have and the cost they have on public health and the environment, we are not giving a level playing field. We are skewing our policies to more fossil fuel pollution that will cost us in the climate problems for years to come.

I yield back my time.