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4 ``THE OBAMA ADMINISTRATION'S CLIMATE CHANGE POLICIES AND

5 ACTIVITIES''

6 WEDNESDAY, SEPTEMBER 18, 2013

7 House of Representatives,

8 Subcommittee on Energy and Power,

9 Committee on Energy and Commerce,

10 Washington, D.C.

11 The Subcommittee met, pursuant to call, at 10:20 a.m.,

12 in Room 2123 of the Rayburn House Office Building, Hon. Ed

13 Whitfield [Chairman of the Subcommittee] presiding.

14 Members present: Representatives Whitfield, Scalise,

15 Hall, Shimkus, Pitts, Terry, Burgess, Latta, Olson, McKinley,

16 Gardner, Pompeo, Kinzinger, Griffith, Barton, Upton (ex

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17 officio), McNerney, Tonko, Engel, Green, Capps, Doyle,  
18 Barrow, Matsui, Christensen, Castor, Dingell, and Waxman (ex  
19 officio).

20 Also present: Representative Schakowsky.

21 Staff present: Nick Abraham, Legislative Clerk; Gary  
22 Andres, Staff Director; Charlotte Baker, Press Secretary;  
23 Shawn Bonyun, Communications Director; Matt Bravo,  
24 Professional Staff Member; Allison Busbee, Policy  
25 Coordinator, Energy & Power; Patrick Currier, Counsel, Energy  
26 & Power; Tom Hassenboehler, Chief Counsel, Energy & Power;  
27 Brandon Mooney, Professional Staff Member; Gib Mullan, Chief  
28 Counsel, CMT; Mary Neumayr, Senior Energy Counsel; Andrew  
29 Powaleny, Deputy Press Secretary; Peter Spencer, Professional  
30 Staff Member, Oversight; Tom Wilbur, Digital Media Advisor;  
31 Phil Barnett, Democratic Staff Director; Alison Cassady,  
32 Democratic Senior Professional Staff Member; Greg Dotson,  
33 Democratic Staff Director, Energy and Environment; Bruce Ho,  
34 Democratic Counsel; Roger Sherman, Democratic Chief Counsel;  
35 Ryan Skukowski, Democratic Staff Assistant; and Alexandra  
36 Tietz, Democratic Senior Counsel, Environment and Energy.

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|  
37           Mr. {Whitfield.} I would like to call this hearing to  
38 order this morning. Today, the Subcommittee is having the  
39 hearing to explore President Obama's Climate Change Action  
40 Plan. And I certainly want to thank Secretary of Energy, Mr.  
41 Moniz; and Gina McCarthy, our new Administrator at the  
42 Environmental Protection Agency, for joining us this morning.  
43 And I want to be sure we start the clock so that I don't  
44 speak forever because that would be pretty boring for  
45 everybody. But I did want to thank you two for being with us  
46 this morning.

47           I will tell you that I am extremely disappointed that we  
48 sent letters to the Department of Agriculture, Department of  
49 Defense, Health and Human Services, Department of the  
50 Interior, Department of State, Transportation, Ex-Im Bank,  
51 National Aeronautics and Space Administration, National  
52 Oceanic and Atmospheric Administration, Office of Science and  
53 Technology Policy, and the U.S. Agency for International  
54 Development because they are very much involved in this  
55 Action Plan as well, and they did not send witnesses to  
56 testify.

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57           Now, in June of this year, President Obama went to  
58 Georgetown University and he gave his speech in which he  
59 announced a Climate Change Action Plan for America. And in  
60 that speech he mentioned that he was tired of excuses for  
61 inaction. Now, I am just going to tell you I take exception  
62 to that because in his Action Plan he included many of the  
63 component parts of the cap-and-trade legislation that was  
64 considered by the Congress in 2009, the Waxman-Markey bill.  
65 And that legislation passed the House but it did not pass the  
66 U.S. Senate. So rather than inaction on the part of  
67 Congress, Congress made a decision, and that was that it did  
68 not want to adopt that legislation.

69           So I understand the President's view on climate change.  
70 And I would like to predicate this by saying worldwide CO2  
71 emissions last year amounted to 800 gigatons. Of that, 30  
72 gigatons are caused by humans. That is 3.75 percent of all  
73 worldwide emissions come from human activity. So the  
74 question becomes if you have a broad spectrum of action on  
75 this plan, and we know that it is one of the President's  
76 priorities and we know that in the last 4 or 5 years we spent  
77 \$70 billion on climate change, this year we expect to spend

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78 \$22 billion.

79           So what we are focused on this morning as we want to  
80 know more about the plan. Is it going to contribute to  
81 higher energy costs? Is it going to raise unemployment  
82 rates? Is it going to create obstacles to economic growth?  
83 Is it going to have an impact on our ability to compete in  
84 the global marketplace?

85           And I specifically wanted to read from some headlines in  
86 newspapers around Europe and elsewhere about this issue. And  
87 all of these were within the last 3 months. ``Support for  
88 the European Union's climate and energy policy eroded further  
89 Friday as the Czech Republic became the latest member to  
90 denounce subsidies for clean but costly renewable energy and  
91 pledged to use more fossil fuels.'' ``Europe's industry is  
92 being ravaged by exorbitant energy costs.'' ``Europe's  
93 quixotic dash for renewables is pushing electricity costs to  
94 untenable levels.'' ``We can't sacrifice Europe's industry  
95 for climate goals that are not realistic.'' ``The European  
96 Union's energy and climate policy is in disarray and losing  
97 credibility.'' ``Utilities are turning to coal and cheap  
98 lignite, emitting more CO2 than ever.'' ``Europe faces a

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99 crisis in energy cost.''

100 As you know, the new government in Australia, as their  
101 first order of business, have decided to repeal the carbon  
102 tax legislation. They also plan to abolish the Climate  
103 Commission, the Clean Energy Finance Corporation, and the  
104 Climate Change Authority.

105 Now, so far in the year 2012 375 coal units at power  
106 plants in America are closing, 294 of them because of EPA  
107 regulations. The first half of 2013 151 coal mines in  
108 America have closed.

109 So this is a discussion today we recognize we have  
110 different views on this, but we are trying to make a sincere  
111 effort to understand the ramifications, the impact of climate  
112 change. As a Congress, we have the responsibility, with all  
113 of this money being spent, to get a better feel of what is  
114 the government really doing? Because it is comprehensive.  
115 It spreads throughout the entire government. And this  
116 hearing is about we want to know what is going on and we are  
117 going to back to every one of those agencies that I mentioned  
118 earlier, whether we sit down with them individually or as a  
119 committee. We want to know and understand precisely what is

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120 going on.

121 [The prepared statement of Mr. Whitfield follows:]

122 \*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*

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123           Mr. {Whitfield.} So, once again, Mr. Secretary and  
124 Madam Administrator, thank you for being with us.

125           At this time, I would like to recognize the gentleman  
126 from California, Mr. Waxman, for his opening statement.

127           Mr. {Waxman.} Thank you, Mr. Chairman.

128           Today's hearing is the first time in a long time that  
129 this committee is holding a hearing on climate change and I  
130 welcome this hearing. And I want to commend Chairman Upton  
131 and Chairman Whitfield for holding it.

132           Climate change is the biggest energy challenge we face  
133 and a clear and present danger to the United States and to  
134 the world. I also commend the Administration for sending  
135 Energy Secretary Ernie Moniz and EPA Administrator Gina  
136 McCarthy to testify. It is unusual to have two Secretaries  
137 testifying at a subcommittee hearing. Your presence makes it  
138 clear how seriously the Administration is taking this  
139 hearing.

140           As Secretary Moniz explains in his statement, the  
141 scientific evidence is overwhelming. That is why the  
142 President released a comprehensive Climate Action Plan in

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143 June. His plan is reasonable, it is affordable, and it will  
144 protect our atmosphere for our children and future  
145 generations. It will make our country the global leader in  
146 the clean energy economy of the future.

147 In past hearings and markups and in debates on the  
148 Floor, Republicans on this committee and in the House have  
149 opposed many elements included in the President's plan. Last  
150 Congress, the House voted 53 times to block action on climate  
151 change. This Congress, the House has already voted to slash  
152 funds for research into clean energy and energy efficiency,  
153 House appropriators voted to eliminate funding for  
154 international negotiations on the climate treaty, and our  
155 committee even refused to listen to the scientists. Over the  
156 last 2 years, Subcommittee Ranking Member Rush and I have  
157 written 27 letters requesting hearings on climate change, and  
158 until today, no hearing was ever scheduled. I hope today  
159 will mark the start of a change in approach.

160 That is why my question for House Republicans is simple.  
161 What is your plan? If you don't like the President's plan,  
162 what is your proposal? The President has said he is willing  
163 to listen to other ideas for protecting our planet and

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164 fulfilling our moral obligation to future generations. What  
165 are yours?

166 Yesterday, I held a forum with the members of the Safe  
167 Climate Caucus to hear from Americans who are already  
168 experiencing the impacts of climate change. From California  
169 to New York, from Iowa to Texas, we heard stories of  
170 wildfires, droughts, floods, sea level rise, and record  
171 temperatures. Their accounts were moving and powerful.  
172 These extreme weather events are happening now and they are  
173 costing lives, destroying livelihoods, eliminating jobs,  
174 creating billion-dollar disaster relief legislation. We need  
175 to start addressing this enormous threat now. The longer we  
176 wait, the more damage we will cause, the more deeply we will  
177 need to cut carbon pollution, the bigger the bill will be for  
178 taxpayers, and the further we will fall behind China and  
179 Germany in the race to develop the new energy technologies of  
180 the future.

181 The President was right. We don't have time for another  
182 meeting of the Flat Earth Society. Saying no to every  
183 solution is not a plan. Doing nothing is not a plan. If all  
184 the Republicans on this committee do today is criticize, they

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185 are either denying the science or ignoring it. No one can  
186 accept what the scientists are telling us and fail to support  
187 a plan of action. That is why I hope we can move past denial  
188 and start a constructive dialogue.

189 Secretary Moniz and Administrator McCarthy have both  
190 told me they want to work with the stakeholders in  
191 implementing the President's plan. They would welcome  
192 working with Congress, especially with this committee, which  
193 has vast jurisdiction over our Nation's energy policies. We  
194 should listen closely to their testimony today. Where we  
195 disagree, let's offer alternative solutions. The climate  
196 clock is ticking and too much is at stake for more politics  
197 as usual.

198 Thank you, Mr. Chairman, for this chance for an opening  
199 statement.

200 [The prepared statement of Mr. Waxman follows:]

201 \*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*

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|  
202 Mr. {Whitfield.} Thank you, Mr. Waxman.

203 At this time, I would like to recognize the chairman of  
204 the full committee, Mr. Upton, for 5 minutes.

205 The {Chairman.} Well, thank you, Mr. Chairman.

206 Today's hearing is about oversight of the President's  
207 climate change policies and activities, and it is  
208 disappointing that 11 agencies, which had ample notice to  
209 identify witnesses, including scientists, and work with staff  
210 to accommodate them on different panels, chose instead to  
211 decline our request. Climate policy is a central feature of  
212 this Administration's energy policy, and given the tens of  
213 billions of dollars currently being spent on climate  
214 activities, there is no good reason for so many agencies to  
215 decide that they cannot testify before this committee.

216 When the Administration first attempted to impose its  
217 climate policies on the American public through the cap-and-  
218 trade legislation, we needed a reality check, and at that  
219 time, it was noted that without meaningful international  
220 participation, jobs and emissions would simply shift overseas  
221 and there would be no meaningful impact on global carbon

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222 emissions, or the temperature changes that may result from  
223 those emissions. Other nations would continue to seek to  
224 grow their own economies and would naturally take advantage  
225 of U.S. economic and manufacturing weakness. And we heard  
226 that first hand in this committee.

227       Last week, the Labor Department reported that there are  
228 still 11.3 million people unemployed, including 4.3 million  
229 long-term unemployed, and 7.9 million ``involuntary'' part-  
230 time workers, whose hours have been cut back or are unable to  
231 find full-time jobs. It makes no sense to impose an  
232 ineffectual and economically harmful energy policy, one I  
233 would remind folks that was rejected through the front door  
234 here in the Congress by Senate Democrats.

235       Unfortunately, the Administration is now working to  
236 circumvent Congress through the backdoor, seeking to regulate  
237 what it was unable to legislate no matter perhaps what the  
238 cost to jobs and the economy really is. Thoughtful oversight  
239 is necessary so that the public can understand more clearly  
240 what is happening and what the impacts of the  
241 Administration's climate policies may be. And I believe that  
242 it is a disservice to the public to suggest a policy approach

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243 will meaningfully address climate risks when in fact it will  
244 not, despite tens of billions of dollars spent and countless  
245 jobs lost.

246         So today, with the help of the private innovation and  
247 America's newfound energy abundance, the U.S. indeed is the  
248 envy of the world as it relates to energy access and the safe  
249 and responsible development of energy resources. We stand at  
250 the very threshold of profound economic opportunity for the  
251 Nation and its future generations.

252         So we should pursue constructing a new architecture of  
253 abundance as a central feature for future economic strength  
254 and to provide the economic foundation to address climate  
255 risks. There should be no question that the economic  
256 wherewithal fostered by America's energy resurgence will  
257 provide a wide avenue for innovation that will answer energy  
258 and environmental challenges of the future.

259         Yes, it is good to have Secretary Moniz and  
260 Administrator McCarthy before us this morning. You two stand  
261 at the center of energy policy in this Nation and your  
262 agencies will play either positive or negative roles to  
263 ensure a strong, vibrant, and innovative energy sector in the

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264 future.

265           My interest is to understand how you intend to address  
266 the new realities of American energy abundance, and what your  
267 respective agencies' roles should be in promoting access to  
268 abundant, affordable energy resources that are so necessary  
269 to meeting future challenges in making our Nation more  
270 competitive. I look forward to having that discussion.

271           And I yield back my time.

272           [The prepared statement of Mr. Upton follows:]

273 \*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*

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274 Mr. {Whitfield.} The gentleman yields back.

275 At this time I recognize the gentleman from New York,  
276 Mr. Tonko, for a 5 minute opening statement.

277 Mr. {Tonko.} Thank you, Mr. Chair. And thank you,  
278 Chair Whitfield, for holding this very important hearing.

279 The International Panel on Climate Change will soon  
280 issue its latest report summarizing the findings of recent  
281 climate science. That report is likely to reiterate the  
282 message they sent us 5 years ago. Greenhouse gases continue  
283 to rise in the atmosphere, the planet is warming, sea level  
284 is rising, and a significant degree of this change is  
285 attributable to human activities. We are seeing the impacts  
286 already. Higher sea levels create more perilous conditions  
287 when hurricanes approach the coast. Higher temperatures  
288 enhance drought conditions, creating significant losses for  
289 farmers and ranchers and set the stage for more intense,  
290 widespread forest fires.

291 Our infrastructure, our communities, and our economy are  
292 all vulnerable to these changes. Add to these facts that our  
293 infrastructure is aging and we are neglecting to maintain the

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294 very systems that we rely on to support a modern, thriving  
295 society. We can continue along our current path leaving  
296 State and local governments to fend for themselves, patching  
297 things together as they wear out, are damaged, or are  
298 destroyed. Or we can use the tremendous intellectual and  
299 entrepreneurial resources that we have to address the  
300 challenge of climate change.

301 Our current path of inaction leaves tremendous  
302 opportunities for job creation, for social progress, and for  
303 economic growth untapped. It wastes resources, especially  
304 human resources. President Obama realizes this and has  
305 offered a modest, balanced plan to reduce greenhouse gases  
306 and to rebuild and redesign the modern and resilient  
307 infrastructure that we require for the future.

308 The Administration's plan seeks to realize the potential  
309 of new, cleaner energy technologies. At the same time, the  
310 plan recognizes the important role that fossil fuels play in  
311 our economy. We continue to use these fuels, as will other  
312 nations, but that does not mean we need to use them  
313 inefficiently or without regard to the increasing risk that  
314 they pose for the future of our planet.

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315           Our citizens could be employed building our 21st century  
316 transportation, energy, and water infrastructure. Our  
317 manufacturers could be supplying the parts and equipment for  
318 a modern electric grid, a high-speed rail, wind farms,  
319 combined heat and power systems, energy-efficient vehicles,  
320 fuel cells, and advanced batteries. Other nations are moving  
321 forward incentivizing and assisting their industries and  
322 positioning themselves and their citizens for the future.  
323 They are thinking long-term while we subject to our Nation to  
324 unnecessary austerity and an endless series of stop-gap  
325 funding bills. This is not the bold and inspired thinking  
326 that created this Nation and made it the great nation that it  
327 is.

328           No one set out to change the chemistry of our atmosphere  
329 and a set our planet on a new climate trajectory, but it has  
330 happened and we must act, act now to slow this process and  
331 adapt to the new conditions. The President's plan is a fine  
332 start. I am very pleased that we have Secretary Moniz and  
333 Administrator McCarthy here with us today. These two  
334 officials and their agencies are tasked with a great deal of  
335 responsibility for making this plan a success. Thank you

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336 both for being here this morning. I hope this is not our  
337 last hearing on this topic and that we will have additional  
338 opportunities to hear from other federal agencies. There is  
339 a lot of work to do and we have wasted too much time already.

340 Thank you again, Chair Whitfield, for holding this very  
341 important hearing, and with that, I yield back.

342 [The prepared statement of Mr. Tonko follows:]

343 \*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*

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|  
344           Mr. {Whitfield.} The gentleman yields back. At this  
345 time, we will begin with Secretary Moniz, 5 minutes for his  
346 opening statement. And once again, Mr. Secretary, thanks for  
347 joining us this morning. Be sure and turn your microphone  
348 on.

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|  
349 ^STATEMENTS OF ERNEST MONIZ, SECRETARY, U.S. DEPARTMENT OF  
350 ENERGY; AND GINA MCCARTHY, ADMINISTRATOR, U.S. ENVIRONMENTAL  
351 PROTECTION AGENCY

|  
352 ^STATEMENT OF ERNEST MONIZ

353 } Secretary {Moniz.} Thank you. Thank you again, Mr.  
354 Chairman, and Ranking Member Waxman, members of the  
355 committee. Thank you for the opportunity to speak about the  
356 President's Climate Action Plan and in particular the DOE's  
357 role in its implementation.

358 I will start with saying, again, the evidence is  
359 overwhelming; the science is clear. The threat from climate  
360 change is real and urgent. And the basic science behind  
361 climate change is simple: carbon dioxide makes the earth  
362 warmer and we are emitting more and more of it into the  
363 atmosphere at a rate that has long been understood to have a  
364 material cumulative impact on a scale measured in decades,  
365 not centuries.

366 This increase in atmospheric greenhouse gas above all

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367 from the combustion of fossil fuels is affecting the climate.  
368 Carbon dioxide is particularly important both because of the  
369 magnitude of the emissions and because it is long lived in  
370 the atmosphere. Again, all of this was known a long time  
371 ago. What was not anticipated was the pace at which energy  
372 needs would grow to serve 7 billion people on the planet with  
373 rapid industrialization. Every ton we emit now irreversibly  
374 commits our children and grandchildren to the risk of climate  
375 disruption.

376 Now, while we cannot attribute any particular storm, for  
377 example, to climate change, cumulatively, we can say that  
378 rising sea levels, increasingly severe droughts, heat waves,  
379 wildfires, and major storms are amplified by a warming  
380 climate. This is already costing our economy billions of  
381 dollars a year and common sense and prudence demanded that we  
382 take action. So that is the driving force behind the  
383 President's Climate Action Plan, and its three pillars are to  
384 cut carbon pollution domestically, to prepare for the  
385 worsening impacts of climate change, and to lead  
386 international efforts to combat climate change and prepare  
387 for its impacts.

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388           My main focus today will be on what the U.S. can do  
389 domestically to reduce carbon pollution, and in particular,  
390 on DOE's role in the Climate Action Plan. Of course, many  
391 other agencies have critical roles as well. First, we must  
392 use our energy more intelligently. I am committed to energy  
393 efficiency both to achieve reductions in carbon emissions and  
394 to reduce energy bills for families and businesses. The  
395 Department of Energy also plays a central role in developing  
396 the low carbon technologies of the future. Coal and natural  
397 gas will remain significant sources of energy in the years to  
398 come, and that is why DOE has issued a draft solicitation for  
399 \$1 billion in loan guarantees for advanced fossil energy  
400 technologies that reduce carbon emissions. In addition, DOE  
401 has already committed \$6 billion on clean coal technologies  
402 all with the goal of enabling the use of fossil fuels and a  
403 carbon-constrained world.

404           Some of the most impressive energy developments in  
405 recent years have been in renewable energy technology. DOE  
406 recently released a paper called "Revolution Now" that  
407 outlines some of these critical clean energy developments for  
408 wind, solar, LEDs, and EV batteries. The key message is the

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409 pattern of dramatic cost reductions, strong government RD&D  
410 and supportive policy, and rapidly increasing deployment,  
411 much like the story of unconventional natural gas production  
412 that unfolded over the last 30 years.

413 A clear indicator of the nation energy system  
414 transformation is the business model evolution taking place  
415 in the utilities sector in response to energy efficiency and  
416 renewable energy market trends. Changes in energy  
417 technologies take time, sustained investment, and stable  
418 policies. Even in this age of budget austerity we need to  
419 ensure that we continue to invest in clean energy.

420 As part of the President's Climate Action Plan, the  
421 Department of energy will also assist in the development of  
422 the Quadrennial Energy Review.

423 Now, while we must take action to reduce the carbon  
424 pollution that causes global warming, impacts from climate  
425 change are already here and more are on the way. Let me  
426 highlight just one project that demonstrates how we are  
427 approaching this in terms of infrastructure resilience. In  
428 the aftermath of Sandy, the vulnerability of our electricity  
429 and fuels infrastructure to severe storms and flooding was

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430 evident. Recently, I was in New Jersey to sign an MOU with  
431 Governor Christie and the New Jersey Transit Corporation to  
432 design a micro-grid that will provide reliable distributed  
433 power for a critical transportation corridor. This is an  
434 example of the sort of smart infrastructure we will need  
435 throughout the country, and this can provide a first-of-its-  
436 kind example for the Nation. It also exemplifies our  
437 commitment to work more closely with State and local  
438 governments.

439       The third part of the President's plan is leading  
440 international efforts to address climate change. A global  
441 effort will be required to future climate damages. Here at  
442 DOE we are focused on helping countries around the world  
443 expand the use of clean energy, improve energy efficiency,  
444 and strengthen global preparedness and resilience to climate  
445 change. While the State Department has the lead on  
446 international negotiations such as phasing down HFCs,  
447 domestic clean energy success will allow America to lead by  
448 example and at the same time to open up business  
449 opportunities for U.S. companies as a huge global market for  
450 clean energy opens up over the next decade.

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451           In conclusion, history has repeatedly shown that we can  
452 grow the economy while making tremendous strides in reducing  
453 pollution. We will need our smartest scientists, our  
454 brightest engineers, and visionary policymakers to get this  
455 done. The President has put forth a smart and prudent plan  
456 to slow global warming, to prepare for worsening climate  
457 impacts, and to ensure a safer, healthier future for our  
458 children and grandchildren. And I might add my grandchildren  
459 are 8 and 10 years old, so I am excited to be part of the  
460 President's plan to reduce the risks of climate change.

461           Thank you, Mr. Chairman.

462           [The prepared statement of Secretary Moniz follows:]

463           \*\*\*\*\* INSERT A \*\*\*\*\*

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|

464 Mr. {Whitfield.} Thank you, Mr. Secretary.

465 And Madam Administrator McCarthy, you are recognized for

466 5 minutes for your opening statement.

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|

467 ^STATEMENT OF GINA MCCARTHY

468 } Ms. {McCarthy.} Thank you, Chairman Whitfield,  
469 Congressman Waxman, members of the committee.

470 In June, the President reaffirmed his commitment to  
471 reducing carbon pollution when he directed many federal  
472 agencies, including the EPA, to take meaningful steps to  
473 mitigate the current and future damage caused by carbon  
474 dioxide emissions and to prepare for climate changes that  
475 have been set in motion.

476 Climate change is one of the greatest challenges of our  
477 time. Or the 97 percent of climate scientists are convinced  
478 that human-caused climate change is occurring. If our  
479 changing climate goes unchecked, it will have devastating  
480 impacts on the United States and on our planet. Responding  
481 to climate change is an urgent public health, safety,  
482 national security, and environmental imperative that presents  
483 an economic challenge as well as an economic opportunity.  
484 Both the economy and the environment must provide for current  
485 and future generations. We can and must embrace cutting

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486 carbon pollution as a spark for innovation, for job growth,  
487 clean energy, and economic growth. The Nation's success over  
488 the past 40 years makes clear that environmental protection  
489 and economic growth do go hand-in-hand.

490 The President's Climate Action Plan directs federal  
491 agencies to address climate change using our existing  
492 authorities. The plan has three key pillars: cutting carbon  
493 pollution in America, preparing for impacts of a changing  
494 climate, and leading international efforts to combat climate  
495 change.

496 EPA plays a critical role in the plans first pillar,  
497 which is cutting carbon pollution. Over the past 4 years,  
498 EPA has begun to address this task. In 2010 EPA and the  
499 National Highway Transportation and Safety Administration  
500 along with the auto industry and other stakeholders, we  
501 worked together to set greenhouse gas and fuel economy  
502 standards for model years 2012 to 2025 light-duty vehicles.  
503 Over the life of those vehicles, the standards will save an  
504 estimated \$1.7 trillion for consumers. It will cut America's  
505 oil consumption by 12 billion barrels and reduce greenhouse  
506 gas emissions by 6 billion metric tons.

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507 EPA and NHTSA's standards for model year 2014 through  
508 2018 heavy-duty trucks and buses present a similar success  
509 story. Under the President's plan, we will be developing a  
510 second phase of heavy-duty vehicle standards for post-2018  
511 model years.

512 Building on that success, the President asked EPA to  
513 work with States, utilities, and other key stakeholders to  
514 develop plans to reduce carbon pollution from both future as  
515 well as existing power plants.

516 EPA will soon propose carbon pollution standards for  
517 future power plants, reflecting new information and the  
518 extensive public comment that we received on our 2012  
519 proposal. For existing plans, we are already engaged in  
520 outreach to States and a broad group of stakeholders with  
521 expertise who can help inform the development of proposed  
522 standards, which we expect to issue in June of 2014. Using  
523 these standards, States will have the primary role in  
524 developing and implementing plans to address carbon pollution  
525 from existing plans, allowing us to capitalize on state  
526 leadership and innovation while accounting for regional  
527 diversity and providing ample flexibility.

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528           The plan also calls for the development of a  
529 comprehensive strategy to address methane emissions. EPA  
530 will work with other agencies to reduce the pain omissions  
531 through incentive-based programs.

532           The President's plan also calls for a broad array of  
533 actions to strengthen America's resilience to climate  
534 impacts. EPA will incorporate research on impacts into  
535 implementation of our existing programs and we will develop  
536 information and tools to help decision-makers, including  
537 States, localities, and tribes, to better understand and  
538 address the current effects and the future effects that we  
539 know are coming in a changing climate. EPA is working  
540 closely with our federal agency counterparts on building  
541 national resilience, including developing the National  
542 Drought Resilience Partnership, ensuring the security of our  
543 freshwater supplies and protecting our water utilities.

544           The President's plan recognizes that we must couple  
545 action at home with leadership abroad. Working closely with  
546 the State Department, EPA will continue to engage our  
547 international partners in efforts to reduce carbon pollution  
548 through activities, including public-private partnership

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549 efforts to address methane emissions and other short-lived  
550 climate pollutants.

551 In conclusion, the President's plan provides a roadmap  
552 for federal action to meet the challenges of a changing  
553 climate, to promote clean energy solutions that capitalize on  
554 American innovation and that drive economic growth.

555 Thank you again and I look forward to answering your  
556 questions.

557 [The prepared statement of Ms. McCarthy follows:]

558 \*\*\*\*\* INSERT B \*\*\*\*\*

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559 Mr. {Whitfield.} Thank you, Madam McCarthy.

560 And before I begin my questions, I would like to ask  
561 unanimous consent to introduce a few relevant documents into  
562 the record. I would like to enter, one, the President's  
563 Climate Action Plan; two, the invitation letter sent to the  
564 federal agencies requesting witnesses today, the majority  
565 committee staff hearing memorandum.

566 In addition, I would like to enter the special  
567 supplement to the bulletin of the American Meteorological  
568 Society released this month and entitled ``Explaining Extreme  
569 Events of 2012 from a Climate Perspective;'' excerpts from  
570 the Energy Information Administration's annual Energy Outlook  
571 2013, including a chart reflecting world energy-related  
572 carbon dioxide emissions 1990 to 2040; and a table reflecting  
573 world carbon dioxide emissions by region and country for 1990  
574 through 2040; and finally, an article entitled ``Making  
575 Energy Access Meaningful'' published this summer in the  
576 National Academy of Sciences' publication ``Issues in Science  
577 and Technology.'' Without objection, the documents will be  
578 entered into the record.

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579 [The information follows:]

580 \*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*

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|  
581           Mr. {Whitfield.} And at this time I will recognize  
582 myself for 5 minutes of questions.

583           Recently, during the August break, I spent time at some  
584 universities in the State of Kentucky, and in talking to  
585 students, one of their major concerns was trying to find a  
586 job upon graduation. And I started thinking about that and I  
587 went back and I looked at the last 62 years the unemployment  
588 rate in America, and the last 4 years, 2009 through 2012, the  
589 unemployment rate has been higher in America than at any time  
590 in the last 62 years except for 3 of those years.

591           Now, in his speech to Georgetown University, the  
592 President specifically said that as we transition, try to  
593 make this transition, which we know cannot be done overnight,  
594 and the President frequently talks about an all-of-the-above  
595 policy, but America is the only country in the world where  
596 you cannot build a new coal-powered plant because the  
597 emission standards cannot be met because the technology is  
598 not available. And we know that regulations on existing  
599 plants are going to be coming out in 2014 in June.

600           But in that speech, the President said in talking about

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601 his Action Plan, that we must provide special programs for  
602 people who lose their jobs. And as I quote it, there have  
603 been significant closures of electricity production plants  
604 using coal, and over 151 coalmines have been closed. So I  
605 would ask either one of you what are the special plans in the  
606 President's Action Plan to help address these people who are  
607 losing their jobs because of these policies?

608 Ms. {McCarthy.} Mr. Chairman, let me begin. I just  
609 want to indicate that I think that I am sensitive and  
610 certainly the Environmental Protection Agency has been  
611 sensitive that as we pursue our mission to protect public  
612 health and the environment, we have to be sensitive to the  
613 economic consequences of our actions--

614 Mr. {Whitfield.} Then, Ms. McCarthy--

615 Ms. {McCarthy.} --particularly--

616 Mr. {Whitfield.} --do you know specifically what plan  
617 is in effect? He talked about we are going to have the  
618 special plans to address the concerns of these people who  
619 lose their jobs.

620 Ms. {McCarthy.} I am not familiar with the details of  
621 those plans, but I am familiar--

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622 Mr. {Whitfield.} Okay.

623 Ms. {McCarthy.} --from reading the Climate Action--

624 Mr. {Whitfield.} Okay.

625 Ms. {McCarthy.} --Plan that the President--

626 Mr. {Whitfield.} Okay.

627 Ms. {McCarthy.} --sees this as both a challenge as well

628 as an economic--

629 Mr. {Whitfield.} Okay.

630 Ms. {McCarthy.} --opportunity for this--

631 Mr. {Whitfield.} Now, in looking at the organization  
632 chart for the Climate Action Plan, I notice that there is one  
633 chart under the Office of Energy and Climate Change Policy  
634 referred to as the Green Cabinet. How does the Green Cabinet  
635 differentiate from the regular Presidential Cabinet?

636 Secretary {Moniz.} Mr. Chairman, so the Green Cabinet  
637 denotes that there are occasional meeting of principals from  
638 the agencies who have special responsibility in the climate  
639 action plan so we can get together and discuss coordination  
640 of programs, make sure there are not duplications. So it is  
641 a subgroup of the Cabinet who again meets periodically  
642 together with key White House presidential assistants to

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643 discuss the general set of issues--

644 Mr. {Whitfield.} Um-hum.

645 Secretary {Moniz.} --around climate change.

646 Mr. {Whitfield.} And who is the person at the  
647 Department of Energy responsible for the coordination of all  
648 the task forces relating to climate change in the government?

649 Secretary {Moniz.} Well, of course, I consider myself  
650 as having ultimate responsibility--

651 Mr. {Whitfield.} Yes, but--

652 Secretary {Moniz.} The action officer--

653 Mr. {Whitfield.} --you have designated a--

654 Secretary {Moniz.} The action officer, if you like, is  
655 my Chief of Staff, Kevin Knobloch, who is keeping track of  
656 all of our responsibilities under the CAP.

657 Mr. {Whitfield.} Kevin Knobloch?

658 Secretary {Moniz.} Yes.

659 Mr. {Whitfield.} And, Ms. McCarthy, who is your  
660 designated person for this?

661 Ms. {McCarthy.} Again, I have ultimate responsibility.  
662 We have two primary components. We have a mitigation  
663 strategy, which we are managing out of our office in Air and

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664 Radiation primarily. That would be Janet McCabe, who is  
665 currently the acting assistant administrator. On the  
666 adaptation side, which is looking at climate resilience and  
667 preparedness we had our Office of Policy that is directed by  
668 associate administrator Michael Goo.

669 Mr. {Whitfield.} Now, I noticed the GAO or in the  
670 budget there is \$22 billion allocated for climate change  
671 Action Plan for 2013. How much of that money will be  
672 allocated to EPA?

673 Ms. {McCarthy.} I am sorry. Could you repeat the  
674 question, Mr. Chairman?

675 Mr. {Whitfield.} There is 22 billion planned to be  
676 spent in fiscal year 2013. How much of that money was  
677 allocated to EPA?

678 Ms. {McCarthy.} I can't answer that question, sir, but  
679 I am happy to follow it up.

680 Mr. {Whitfield.} Okay. Do you know from the Secretary  
681 of Energy's position, Secretary Moniz, how much of the 22  
682 billion--

683 Secretary {Moniz.} Well, I think the problem, first of  
684 all, is how one counts. For example, if we count our energy

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685 efficiency programs, which of course have the objective of  
686 saving money and also--

687 Mr. {Whitfield.} Okay.

688 Secretary {Moniz.} --would be part of the solution for  
689 climate change, well, then, let's add 1 billion there.

690 Mr. {Whitfield.} Okay.

691 Secretary {Moniz.} So if we talk about all the programs  
692 that are helpful for climate change--

693 Mr. {Whitfield.} Yes.

694 Secretary {Moniz.} --then we are talking about \$5  
695 billion--

696 Mr. {Whitfield.} Okay.

697 Secretary {Moniz.} --mostly in our R&D budget, but as I  
698 say, most of that is for, you know, efficiency, nuclear  
699 power--

700 Mr. {Whitfield.} Um-hum.

701 Secretary {Moniz.} --clean technologies, actually, we  
702 can throw in fusion. The one exception one might say is the  
703 substantial resources we devote to carbon capture and  
704 sequestration specifically to make coal competitive in a low-  
705 carbon world.

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706 Mr. {Whitfield.} Thank you. My time is expired. I  
707 recognize Mr. Waxman for 5 minutes of questions.

708 Mr. {Waxman.} Secretary Moniz, in your testimony you  
709 describe the dangers we face from climate change. Is it too  
710 late to protect the planet from the worst effects of climate  
711 change?

712 Secretary {Moniz.} Well, first of all, I think it is  
713 clear we cannot avoid implications. We are seeing them  
714 today. In my view this decade is the critical one that we  
715 need to move out smartly and smartly--

716 Mr. {Waxman.} How much time do we have?

717 Secretary {Moniz.} Well--

718 Mr. {Waxman.} Can we afford to wait to act?

719 Secretary {Moniz.} It will be a long-term commitment  
720 but we have to act in this decade because, as I said, the CO2  
721 problem is cumulative and every ton we emit you can check it  
722 off against our children and grandchildren.

723 Mr. {Waxman.} My concern is that we are facing this  
724 urgent threat but all Congress is doing is getting in the  
725 way. This Congress has rightly been called the do-nothing  
726 Congress, but on climate we are doing worse than nothing; we

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727 are affirmatively obstructing progress. Administrator  
728 McCarthy, you have been accused of leading a war on coal, but  
729 in 2009 the President supported market-based legislation to  
730 make major carbon pollution reductions while investing \$60  
731 billion to develop clean coal technologies like carbon  
732 capture and sequestration, isn't that right?

733 Ms. {McCarthy.} That is my understanding.

734 Mr. {Waxman.} The chairman said that this is the only  
735 country in the world where new coal plants cannot be built.  
736 You haven't released any regulations to prevent coal plants  
737 from being built, have you?

738 Ms. {McCarthy.} We have not, no.

739 Mr. {Waxman.} At the time our bill was criticized for  
740 being too generous to the coal industry, but virtually all  
741 the Republicans on this committee and the coal industry  
742 oppose the legislation despite its massive investment in that  
743 industry. We want to invest in innovative approaches so that  
744 coal can still be used, but Republicans opposed us.

745 Last year, I tried a different approach. I wrote an op-  
746 ed calling for an emissions fee that would put a price on  
747 carbon. I even said that I would support using the revenues

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748 raised to reduce other taxes. But Republicans in the House  
749 also opposed this approach. Republicans outside the House,  
750 some of them, supported it. In fact, House Republicans  
751 opposed every idea that has been raised for addressing  
752 climate change.

753 Administrator McCarthy, you promulgated regulations last  
754 Congress reducing carbon pollution from cars and trucks.  
755 House Republicans voted to strip you of the authority to  
756 regulate those emissions, isn't that right?

757 Ms. {McCarthy.} That is my understanding.

758 Mr. {Waxman.} The House had voted to strip EPA of  
759 authority to regulate carbon pollution from power plants,  
760 isn't that right?

761 Ms. {McCarthy.} That is right.

762 Mr. {Waxman.} Secretary Moniz, I have heard some  
763 Republicans say that they like the idea of energy efficiency,  
764 but when I look at the record, they voted to block  
765 enforcement of requirements for energy-efficient light bulbs  
766 and they have reported a budget for your department for next  
767 year that would cut funding for energy-efficiency programs.  
768 The same is true for investments in research to develop the

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769 solar, wind, and other clean energy technologies of the  
770 future.

771 Secretary Moniz, within your department there is a  
772 division called ARPA-E, which invests in advanced energy  
773 research projects. It is widely praised by the scientific  
774 and research communities for finding breakthrough technology,  
775 yet this year, the House Appropriations Committee voted to  
776 slash its budget by over 80 percent, isn't that right?

777 Secretary {Moniz.} Yes, that is correct, sir.

778 Mr. {Waxman.} In this committee I often hear Republican  
779 members argue against U.S. efforts to do anything about  
780 reducing emissions because our Nation would be at a  
781 competitive disadvantage. They say we need a global  
782 approach. But then the House Appropriations Committee votes  
783 to defund the U.N. Framework Convention on Climate Change,  
784 which is the international body charged with negotiating an  
785 international climate treaty.

786 Last Congress, House Republicans also voted to defund  
787 not only our international efforts but defund our  
788 government's lead climate negotiator. Add it all up, what do  
789 you have? House Republicans have voted against climate

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790 change legislation, they voted against climate regulation,  
791 they have voted against climate research and development, and  
792 they voted against international climate efforts.

793       It is an appalling record and it is why my question to  
794 them is what is your plan? It is easy to criticize other  
795 people's solutions. But if all you do is criticize, you are  
796 either a climate denier because you don't think anything  
797 needs to be done, the science doesn't warrant it, it is not  
798 happening, or they are ignoring the warning of scientists.  
799 Secretary Moniz told us that we have a very narrow window to  
800 act. We should be starting to act now and that is why we  
801 need to stop ignoring the scientists and start listening to  
802 them, Mr. Chairman.

803       So tell us what your plan is, don't just criticize,  
804 because we are facing a serious problem not for the future  
805 but right now with extreme weather events.

806       Mr. {Whitfield.} The gentleman's time is expired.

807       At this time I recognize the gentleman from Michigan,  
808 Mr. Upton, for 5 minutes.

809       The {Chairman.} Well, thank you, Mr. Chairman.

810       You know, I think that it is important as we conduct

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811 oversight of agency actions on climate change and energy that  
812 we also reflect on the statutory frameworks of the agencies  
813 implementing such policy. And as an example, a point that I  
814 like to make is, as we reflect back on DOE's energy  
815 coordination role, it was developed frankly back at the time  
816 of energy constraints, way back in the 1970s. I think you  
817 would agree, Dr. Moniz, that we are currently in a new era of  
818 North American energy abundance. Now, where I believe and I  
819 think the staffs will show that as well that we can actually  
820 be energy independent for North America by using all of our  
821 resources that are available. And I would like you to  
822 comment on that as part of the record.

823 Secretary {Moniz.} And certainly, Mr. Chairman, the  
824 President and I both are very supportive of all-of-the-above  
825 energy strategy within a world where we are working to reduce  
826 CO2 emissions.

827 The {Chairman.} And I know on page 10 of the  
828 President's Climate Action Plan, the natural gas bullet, it  
829 refers to natural gas as a bridge fuel. And is it the policy  
830 of DOE to consider natural gas as a bridge fuel?

831 Secretary {Moniz.} Well, our policy is to do what we

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832 can to support clean, safe production of natural gas, and I  
833 might add also of so-called unconventional oil.

834 The {Chairman.} So as we look at what you may be doing  
835 as an agency to approve or consider export applications for  
836 LNG, is it bridge fuel? Is that part of the discussion or  
837 the debate?

838 Secretary {Moniz.} No, sir, that has not been part of  
839 the discussion to date. I mean our approach to the LNG  
840 exports is by law to approve them unless we rule an  
841 application as not in the public interest. A public interest  
842 determination has many facets. We have just given, as you  
843 know, another two applications conditional approvals  
844 recently. I should emphasize that the final approval will  
845 require the environmental review through FERC and then coming  
846 back to the Department of Energy.

847 The {Chairman.} I just know as I look at the situation,  
848 particularly as we try to become North American energy  
849 independent, the new discoveries and fields that we have been  
850 able to find of natural gas are an exciting, positive change.  
851 We look at the advent of the manufacture of vehicles,  
852 passenger vehicles perhaps using natural gas. We look at

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853 some of the large fleets some of our businesses, whether they  
854 be UPS or AT&T and others being able to convert those  
855 vehicles to natural gas. I have a major manufacturer in my  
856 district, Eaton, which is looking at natural gas trucks for  
857 their fleet. We even look at locomotives, our railroads,  
858 looking at perhaps a very positive transition from diesel to  
859 natural gas and the work of, I know, Caterpillar and General  
860 Electric producing those and seeing if in fact it will have a  
861 very positive impact on our economy and to real change.

862 Ms. McCarthy, does EPA consider natural gas abundance as  
863 a bridge fuel?

864 Ms. {McCarthy.} EPA views natural gas abundance as a  
865 positive for air quality as an opportunity for us  
866 domestically to be safe and secure in our energy supplies.  
867 Our responsibility is to ensure that that is done as safely  
868 and responsibly as we can working with the industry.

869 The {Chairman.} You know, one of the concerns that I  
870 hear, particularly as I talk to the railroad folks and they  
871 are looking at this potential change conversion to natural  
872 gas is that they are concerned as they look at purchasing  
873 these, if in fact they work, that the regulations may change,

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874 thus impacting the ``payback period'' as it relates to the--  
875 is EPA considering new regulations to do that?

876 Ms. {McCarthy.} Any regulations that EPA would consider  
877 are going to be thoughtfully proposed and commented on.  
878 Right now, sir, I think it is safe to say that EPA is  
879 investing very heavily in opportunities to understand the  
880 sector, to gather data, to work with the industry in a  
881 collaborative way. We see this as a very positive  
882 collaboration moving forward. We see this as a significant  
883 opportunity to reduce air pollutants and to move forward in a  
884 safe and effective domestic supply. And so I am very  
885 encouraged about the relationship we are building with the  
886 gas industry, the rules we have already put out. I see no  
887 reason for concern that that situation is going to change and  
888 people won't be able to rely on this as a cleaner fuel moving  
889 forward.

890 The {Chairman.} Thank you. I know my time is expired.

891 Mr. {Whitfield.} The gentleman's time is expired. At  
892 this time, I recognize--

893 Secretary {Moniz.} Mr. Chairman, may I just add a  
894 footnote with your permission?

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895 Mr. {Whitfield.} Yes, sir.

896 Secretary {Moniz.} I just want to say to Chairman Upton  
897 I would add to your list marine applications, and also in  
898 fracking, replacing diesels with natural gas engines there as  
899 well, less oil use and better air quality.

900 Mr. {Whitfield.} Thank you, Mr. Secretary.

901 At this time I recognize the gentleman from California,  
902 Mr. McNerney, for 5 minutes.

903 Mr. {McNerney.} Thank you, Mr. Chairman.

904 I would like to explore two things in my 5 minutes.  
905 First is the confidence that you have that climate change is  
906 taking place as a significant threat and as caused by a large  
907 degree by human activities; and secondly, if actions taken to  
908 combat climate change will harm or benefit the economy. So,  
909 first, Secretary Moniz, would you address the first question?  
910 How confident are you that climate change is taking place,  
911 that it is a significant threat, and that it is caused to a  
912 large degree by human activity?

913 Secretary {Moniz.} Well, again, first of all, of course  
914 the scientific community overwhelmingly endorses those  
915 statements and I personally do. As I have said in a previous

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916 hearing for this committee, I think my confidence in those  
917 statements does not rely just on the results of some very  
918 complicated computer models but some very simple arithmetic  
919 in terms of what has been known for a long time about the  
920 strength of CO<sub>2</sub>, the greenhouse effect, and that the amount  
921 that we are emitting is of the scale that within decades we  
922 would reach areas such as doubling preindustrial emissions,  
923 which have always been viewed as being highly, highly risky.

924 Mr. {McNerney.} Thank you. Administrator McCarthy, I  
925 would like to address my second question to you in this form:  
926 How have higher standards such as those as fuel efficiency  
927 helped drive innovation and create jobs?

928 Ms. {McCarthy.} Well, we have been working with the  
929 auto industry in particular over the past few years to  
930 understand what they need to have certainty moving forward on  
931 air quality standards, on fuel efficiency, on greenhouse gas  
932 standards. We have worked together. And as a result of our  
933 rules, we have been able to support the industry in a robust  
934 sort of reemergence of that industry both domestically and  
935 internationally. We are proud of the work we have done  
936 together. We are delivering fuel-efficient vehicles for

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937 consumers in the way they want them. We are saving them  
938 money. We are reducing greenhouse gases. And we believe we  
939 are part of the auto industry's efforts to gain a competitive  
940 advantage that is to a great advantage for jobs and economy  
941 in this country.

942 Mr. {McNerney.} So you believe the Detroit has become  
943 more competitive with these higher fuel standards--

944 Ms. {McCarthy.} We believe so.

945 Mr. {McNerney.} --thereby creating more jobs?

946 Ms. {McCarthy.} We know that certainty is important  
947 moving forward. We have provided this industry a path  
948 forward until 2025. That gives them an opportunity to do  
949 research, to develop new technologies, and to have a solid  
950 footing moving forward.

951 Mr. {McNerney.} Thank you.

952 Secretary {Moniz.} If I may just add--

953 Mr. {McNerney.} Sure.

954 Secretary {Moniz.} --sir, on the auto side, I think it  
955 is actually even a bigger story going back to when the auto  
956 industry in this country looked like it was on its last legs,  
957 a whole combination of issues from support for GM and

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958 Chrysler assuming they had proper restructuring for the  
959 future, to loan guarantees for Ford and Nissan; Nissan built  
960 a plant in Tennessee because of that loan guarantee--to  
961 preparing for the future with electric vehicle markets and  
962 the great success story of Tesla, we could talk about Fisker,  
963 which we all know is a different issue today, but overall,  
964 this portfolio has taken us to an incredibly vibrant auto  
965 industry that is growing faster than the Chinese auto  
966 industry.

967 Mr. {McNerney.} Are there any other technologies or  
968 items that energy efficiency or work toward renewable energy  
969 has created jobs that you would like to point to?

970 Secretary {Moniz.} Certainly. We could go through lots  
971 and lots of those stories. First of all, on again the autos,  
972 Tesla is a story of 3,000 jobs in California. That is way  
973 above even their business plan. Take the solar PV business  
974 and I will go back to our loan guarantee program. When there  
975 was no debt financing available, those loans supported the  
976 first six utility-scale PV projects in this country. There  
977 have subsequently been 10 with pure private financing. That  
978 is jobs all the way from manufacturing, to supply chain, to

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979 the installation and operation.

980 Mr. {McNerney.} Well, do you see grid modernization  
981 playing a role in helping reduce climate change and also in  
982 creating jobs?

983 Secretary {Moniz.} Grid modernization is a very, very  
984 high priority. It has multiple benefits. One would be the  
985 integration of renewables into the system. A second is that  
986 it can provide with intelligence embedded in the grid. It  
987 can provide new consumer services and higher efficiency,  
988 lower bills. And finally, it will be needed, as the example  
989 I gave in New Jersey, to provide resilience against the  
990 extreme weather events that we are seeing more and more of.

991 Mr. {McNerney.} Well, thank you. I yield back,  
992 Mr. Chairman.

993 Mr. {Whitfield.} Thank you.

994 At this time I recognize the gentleman from Texas, Mr.  
995 Barton, for 5 minutes.

996 Mr. {Barton.} Thank you, Mr. Chairman.

997 I want to welcome our two witnesses and give you the red  
998 badge of courage for showing up. We invited 13 agencies and  
999 I don't know if you all drew straws and got the long straws

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1000 or whatever, but you two are here and we are glad you are  
1001 here. We didn't hear from Department of Agriculture,  
1002 Defense, HHS, Interior, State Department, Transportation,  
1003 Export-Import Bank, NASA, National Oceanic Atmospheric  
1004 Administration, Office of Science and Technology Policy, or  
1005 U.S. Agency for International Development. For some reason  
1006 they couldn't make it, but you two are and you all have been  
1007 here before and we are glad you all are both here.

1008       Each of you and the other 11 agencies got a letter dated  
1009 August the 6th, 2013, asking you to attend, and it asked you  
1010 to answer nine questions. Now, when Mr. Waxman was speaking  
1011 in his Q&A he said that the Obama Administration has spent  
1012 about \$60 billion on climate change. The number I had was 70  
1013 billion, but we will go with Mr. Waxman's 60 billion number.  
1014 And this is really an effort to let the Obama Administration  
1015 put their best foot forward. So we asked nine questions and  
1016 I asked the staff if your agencies had answered these  
1017 questions. And I am told that they had not. So I am going  
1018 to read them into the record and then give each of you  
1019 briefly a chance to see if you can get us these answers.

1020       The first question that we asked your agency was to

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1021 describe the climate change-related research and technology  
1022 programs that you are actively engaged in, including programs  
1023 or activities undertaken with other federal agencies. We  
1024 didn't get an answer to that.

1025 We asked you to describe the climate change adaptation,  
1026 mitigation, or sustainability-related activities engaged in,  
1027 including activities undertaken with other federal agencies.  
1028 We didn't get an answer to that.

1029 We asked you to identify all the climate change-related  
1030 interagency task forces, advisory committees, working groups,  
1031 and initiatives in which your agency is currently  
1032 participating and or has participated in since January of  
1033 2005, didn't get an answer to that.

1034 We asked you to identify all climate change or clean  
1035 energy-related funding, grants, or financial assistance  
1036 programs which your agency is currently participating or has  
1037 participated in and the amount of climate change or clean  
1038 energy-related funding, grants, and financial assistance  
1039 distributed by your agencies since January of 2005, didn't  
1040 get an answer to that.

1041 We asked you to identify all the climate change-related

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1042 regulations or guidance documents, including regulations or  
1043 standards to reduce greenhouse gas emissions issued or  
1044 proposed by your agency since January 2005 or under  
1045 development, didn't get an answer to that.

1046 We asked you to identify all the climate change-related  
1047 international negotiations, agreements, partnerships, working  
1048 groups, or initiatives in which you currently or have  
1049 previously participated since January 2005, didn't get an  
1050 answer to that.

1051 Provide the approximate amount of annual agency funding  
1052 attributed to climate change activities of the fiscal years  
1053 2005 through 2012, didn't get an answer to that.

1054 Describe the actions that your agency has undertaken to  
1055 respond to the Executive Order by the President, 13514,  
1056 including the approximate cost, personnel, and other  
1057 resources dedicated by your agency to implement that  
1058 Executive Order, didn't get an answer to that, Mr. Chairman.

1059 And last but not least, to provide a list of each sub-  
1060 agency, division, and/or program office within your agency  
1061 that is currently engaged in climate change-related  
1062 activities and to provide an estimate of the approximate

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1063 number of your agency employees and/or contractors engaged  
1064 part-time or full-time in climate change-related activities.  
1065 Guess what, didn't get an answer to that.

1066 Now, Mr. Waxman has been asking this committee and the  
1067 subcommittee to hold hearings on President Obama's climate  
1068 change efforts all year long. We asked nine questions. We  
1069 didn't get one straight answer. Are you trying to hide  
1070 something? Are you embarrassed by it? Or you just don't  
1071 care to respond to the Congress?

1072 Secretary {Moniz.} Well, I will answer first at least,  
1073 Mr. Barton. Thank you.

1074 Look, I am very happy to come and discuss any and all of  
1075 those questions. I will address a few of them now if you  
1076 would like. Certainly, well, for the Department of Energy,  
1077 for example, the question on regulations, et cetera,  
1078 standards, that is clear. It is efficiency standards is what  
1079 we do in this regard.

1080 In terms of the programs, as I said earlier, I would say  
1081 our last budget, fiscal year 2013 enacted, the question is  
1082 ambiguous, but if we take all of the programs that help  
1083 address climate change, even if they have other objectives

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1084 like efficiency, then that count would come to about 5.4  
1085 billion. But as I say, there are multiple objectives. There  
1086 is fuel diversity, nuclear energy, fossil energy, et cetera.

1087 Mr. {Barton.} Well, my time has expired.

1088 Secretary {Moniz.} Okay.

1089 Mr. {Whitfield.} And I think, Mr. Secretary, we do  
1090 appreciate your making an effort to answer, but I do hope  
1091 that you all would get with your staffs and try to respond to  
1092 us because, as was indicated, we asked these questions--

1093 Secretary {Moniz.} We will do that, sir.

1094 Mr. {Whitfield.} --some time ago and we would  
1095 appreciate you all responding to that.

1096 Mr. {Barton.} Mr. Chairman, the point I am trying to  
1097 make is we are trying to have a good faith effort here to  
1098 have a real dialogue, but in order to have the dialogue, we  
1099 have to have the facts. And we are being stonewalled, which  
1100 means the American people are being stonewalled. These are  
1101 not complicated questions and they are not trick questions.  
1102 If the Obama Administration has this great Climate Change  
1103 Action Plan, every one of these questions should be able to  
1104 be answered in detail and in glowing terms. So I would hope

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1105 that you two representatives of the Obama Administration, you  
1106 know, first of all, both of you are good people. You are  
1107 smart, you have got integrity, you have worked with this  
1108 committee. Get us the straight facts and then we will have a  
1109 debate with the other side--

1110 Mr. {Waxman.} Will the gentleman yield?

1111 Mr. {Barton.} --over what those facts mean.

1112 Mr. {Waxman.} Mr. Barton, will you yield to me just to  
1113 correct a statement--

1114 Mr. {Barton.} If I have time, I will be happy to yield.

1115 Mr. {Waxman.} Well, you quoted me as saying the \$60  
1116 billion has been spent, but my statement was that we proposed  
1117 \$60 billion to go to be spent under our legislation.  
1118 Secondly, it is unprecedented to have to Cabinet-level  
1119 officials who have the primary burden of dealing with the  
1120 climate change issue come before a subcommittee. I hardly  
1121 call that stonewalling.

1122 Mr. {Whitfield.} Actually, CRS said 70 billion over the  
1123 last 4 years but--

1124 Mr. {Waxman.} Well, we are talking about different--he  
1125 quoted me as saying 60 billion. I wasn't saying it was 60

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1126 instead of 70. My statement about 60 billion was what we  
1127 proposed to spend in the cap-and-trade bill.

1128 Mr. {Whitfield.} At this time I would like to recognize  
1129 the gentleman from Michigan, the distinguished gentleman, Mr.  
1130 Dingell, for 5 minutes.

1131 Mr. {Dingell.} Mr. Chairman, I thank you for your  
1132 courtesy.

1133 Administrator McCarthy, welcome back to the committee  
1134 and congratulations on your new position as EPA  
1135 Administrator.

1136 Ms. {McCarthy.} Thank you.

1137 Mr. {Dingell.} We wish you great good luck as you take  
1138 on this new position.

1139 And also, Mr. Secretary, we welcome you to the  
1140 committee.

1141 Gentlemen and ladies, these questions will be yes or no  
1142 and I will request that you give us some additional  
1143 information as a response after the response has been made.

1144 So for both of our witnesses, does EPA or the Department  
1145 of Energy see a future for coal as a viable energy source in  
1146 light of the impending greenhouse gas regulations? Please

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1147 answer yes or no and then submit additional information for  
1148 the record.

1149 Ms. {McCarthy.} Yes, Congressman.

1150 Secretary {Moniz.} I agree. Yes. Um-hum.

1151 Mr. {Dingell.} Now, Administrator McCarthy, I  
1152 understand that there will be a different proposal for  
1153 modified sources, i.e., units that have been updated, and  
1154 also for existing sources that have not been modified. Can  
1155 you tell me if EPA is reaching out to all stakeholders  
1156 concerned about both components of the greenhouse gas rule?  
1157 Please answer yes or no.

1158 Ms. {McCarthy.} To the best ability we can, yes, we  
1159 are.

1160 Mr. {Dingell.} Would you please also, Madam  
1161 Administrator, submit more information for the record?

1162 Now, is EPA thinking about a unit-by-unit compliance  
1163 goal for the existing and modified source carbon standards?  
1164 Please answer yes or no.

1165 Ms. {McCarthy.} We are thinking about that and a number  
1166 of other different flexible strategies.

1167 Mr. {Dingell.} Would you submit such additional

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1168 comments for the record as you deem appropriate?

1169 Ms. {McCarthy.} Yes, sir.

1170 Mr. {Dingell.} Now, the debate about climate change is  
1171 not just about air but it is also about water. I am sure  
1172 that both you and the Secretary understand this.

1173 Administrator McCarthy, you do all know that the Great  
1174 Lakes contain 20 percent of the world's freshwater. Luckily,  
1175 our water levels are up slightly this year after years of  
1176 inadequate ice cover on the lakes and too little  
1177 precipitation, rain and snow. Lower lake levels affect not  
1178 only shipping and boating and recreation but also make it  
1179 easier for algae blooms to form, endanger fish habitats, and  
1180 threaten drinking water sources, as well as industrial and  
1181 cooling water intakes. Madam Administrator, do you believe  
1182 that the President's Climate Action Plan provides the  
1183 direction for EPA to deal with the unique problems of the  
1184 Great Lakes? Please answer yes or no.

1185 Ms. {McCarthy.} Yes.

1186 Secretary {Moniz.} Sir, may I--

1187 Mr. {Dingell.} Will EPA under your leadership continue  
1188 to work with other federal and state agencies to address

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1189 climate-related problems on the Great Lakes? Yes or no?

1190 Ms. {McCarthy.} Yes.

1191 Mr. {Dingell.} In dealing with water quality, do you  
1192 believe that EPA has adequate clarification of its  
1193 jurisdiction under the Clean Water Act to ensure protection  
1194 of water sources? Please answer yes or no.

1195 Ms. {McCarthy.} Not as yet but we are certainly working  
1196 on that.

1197 Mr. {Dingell.} I want you to give us some additional  
1198 response on that because that is a matter of deep concern, I  
1199 think, to you, and it is to me, too.

1200 Now, Madam Administrator, as these problems on the Great  
1201 Lakes become more frequent, do you believe EPA will need  
1202 further clarification of its Clean Water Act jurisdiction?  
1203 Please answer yes or no.

1204 Ms. {McCarthy.} Yes, I do.

1205 Mr. {Dingell.} And I believe you are finding, Madam  
1206 Administrator, that the actions taken by the Congress to  
1207 foreclose you and EPA from getting us additional work in  
1208 terms of rules and regulations clarifying the Supreme Court  
1209 decision are extremely unhealthy, am I correct? Yes or no?

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1210 Ms. {McCarthy.} We find them very difficult.

1211 Mr. {Dingell.} Now, I am sure you have seen a recent  
1212 map published in the National Geographic showing what would  
1213 happen if all the world ice were to melt. While this is a  
1214 somewhat drastic scenario, it shows almost all of Florida and  
1215 all of New Jersey submerged. It was not the map, however,  
1216 that intrigues me most. The map showed little or no effect  
1217 on the Great Lakes. Do you believe that EPA along with other  
1218 federal agencies have the tools necessary to predict what  
1219 affects climate change might have on the Great Lakes basin  
1220 and the region in which they exist? Please answer yes or no.

1221 Ms. {McCarthy.} Yes.

1222 Mr. {Dingell.} Would you submit additional information  
1223 for the record as you deem it appropriate?

1224 Ms. {McCarthy.} I will.

1225 Mr. {Dingell.} Now, I would like to have a submission  
1226 from you, Mr. Secretary, about what it is you are going to do  
1227 about potential shortages and whether we have shortages  
1228 coming on electric power because of the actions that are  
1229 going to have to be taken with regard to global warming and  
1230 matters of that kind and how that is going to affect our

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1231 future in terms of the reliability and availability of  
1232 electric power.

1233 And I thank you, Mr. Chairman.

1234 If you would submit that for the record, please.

1235 Secretary {Moniz.} And I will just note, sir, that we  
1236 have a report of vulnerabilities of the energy infrastructure  
1237 that will answer many of your questions. I might just add  
1238 one factoid that there are projections that in an  
1239 unconstrained world in terms of greenhouse gas emissions, we  
1240 could see about a 2-foot drop in the level of the Great Lakes  
1241 in this century, which would of course be very, very  
1242 disruptive.

1243 Mr. {Dingell.} Industry is going to make a large number  
1244 of retirements of plans because of--

1245 Mr. {Whitfield.} The gentleman's time is expired.

1246 Mr. {Dingell.} I thank you, Mr. Chairman.

1247 Mr. {Whitfield.} At this time I recognize the gentleman  
1248 from Texas, Mr. Hall, for 5 minutes.

1249 Mr. {Hall.} Mr. Chairman, thank you very much.

1250 And the argument about whether or not climate change is  
1251 taking place, I know one thing by the argument that

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1252 Mr. Barton had with the gentleman from California, something  
1253 that is taking place and taxing the hard-working people of  
1254 this country is taking place.

1255 And, Mr. Chairman, thank you for your opening statement  
1256 when you set out, and it wasn't an estimate on your part.  
1257 This is from the Congressional Research Service--they usually  
1258 are pretty accurate--that the climate change funding for  
1259 climate science technology, international assistance, and  
1260 adoption was approximately 70 billion for the period 2008 to  
1261 2012.

1262 Now, Mr. Barton, you got better answers. I counted, I  
1263 think, 12 or 15 of those people that didn't give you any  
1264 answer it all. By no answer you got a better answer than I  
1265 had received from Mrs. McCarthy about a year ago in the  
1266 Science Committee if you remember coming before our committee  
1267 there. And I may have asked you a question you didn't like  
1268 and your answer was I am not in the business of creating  
1269 jobs. That is out of the record itself. And I left word  
1270 there if you wanted to apologize to the many millions of  
1271 people that were unemployed and many of them hungry. And I  
1272 have never seen that apology to this day.

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1273           Actually, Mr. Chairman, I would like to ask unanimous  
1274 consent to submit more of my questions in writing. I have  
1275 more than the 5 minutes lets me make here.

1276           Mr. {Whitfield.} Without objection.

1277           [The information follows:]

1278           \*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*

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1279           Mr. {Hall.} That is taking place at 20 billion per year  
1280 and we can figure that up however we want to. And I yield  
1281 back the time. I thank both the witnesses for appearing.

1282           Mr. {Whitfield.} The gentleman yields back the balance  
1283 of his time.

1284           At this time I would recognize the gentleman from New  
1285 York, Mr. Tonko, for 5 minutes.

1286           Mr. {Tonko.} Thank you, Mr. Chair.

1287           Secretary Moniz, if we were going to reduce our carbon  
1288 pollution, we need to deploy more clean energy and boost  
1289 energy efficiency. Yesterday, the Department of Energy  
1290 released its report showing that wind and solar power, LED  
1291 lighting, and electric vehicles are growing rapidly in this  
1292 country as a result of well-designed federal and state  
1293 incentives and investments in research and development. That  
1294 being said, the report finds that as a result of these  
1295 measures, ``the historic shift to a cleaner, more domestic,  
1296 and more secure energy future is not some faraway goal. We  
1297 are living it and it is gaining force.'' I would like to ask  
1298 unanimous consent to enter this report into the record, Mr.

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1299 Chair.

1300 Mr. {Whitfield.} Without objection.

1301 [The information follows:]

1302 \*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*

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1303           Mr. {Tonko.} Thank you. The report contained a  
1304 particularly striking graph about the cost and deployment of  
1305 wind energy in the United States. Wind capacity has  
1306 skyrocketed in our country, and I believe the Committee has  
1307 that graph. Okay. We are posting it on the screen. Thank  
1308 you.

1309           [Graph]

1310           Mr. {Tonko.} Secretary Moniz, what has been the key to  
1311 wind power's success? As you see, we have the graph itself  
1312 on the display screen.

1313           Secretary {Moniz.} Well, I think the story, as I  
1314 alluded to earlier, it is actually the same story that we saw  
1315 decades ago with unconventional natural gas. We had  
1316 investment from the Federal Government, we had public-private  
1317 partnerships, and we had time-limited, well-crafted incentive  
1318 that has these things taking off. We are seeing the same  
1319 thing now with wind. As we can see, the deployment is very,  
1320 very striking. And of course the cost certainly in good wind  
1321 areas are quite competitive with other sources.

1322           The report has similar graphs, same kind of message,

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1323 with photovoltaics. Solar energy, it is not fully  
1324 appreciated how competitive solar is already in the right  
1325 conditions, which is typical for this stage of a technology  
1326 penetrating the market.

1327 Mr. {Tonko.} So is the response for solar as strong as  
1328 this wind?

1329 Secretary {Moniz.} Perhaps stronger.

1330 Mr. {Tonko.} Super. What can we do to--

1331 Secretary {Moniz.} And also, if I may, in LEDs it is  
1332 totally incredible. It has gone from, I don't know, 50,000  
1333 to 20 million deployed in the country in a very short time,  
1334 and the cost has gone from \$50 to \$15 and the lifetime  
1335 savings from one LED is over \$100.

1336 Mr. {Tonko.} Thank you. What can we do to ensure that  
1337 today's R&D is utilized fully into emerging energy  
1338 technologies so that we can achieve these same levels of  
1339 success?

1340 Secretary {Moniz.} Well, first of all, we need to, as I  
1341 said earlier, we need a sustained commitment to maintain the  
1342 research development demonstration and deployment push. That  
1343 is absolutely required. And these will be market-competitive

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1344 technologies again sooner rather than later.

1345           The other thing is, of course, we would like to capture  
1346 the full value of these developments and that involves other  
1347 things that we are doing such as, for example, the advanced  
1348 manufacturing partnership to really help establish the  
1349 cutting-edge manufacturing capacity and training in this  
1350 country.

1351           Mr. {Tonko.} Um-hum. Energy efficiency is a key part  
1352 of the President's Climate Action Plan. Energy efficiency is  
1353 one of the cheapest and most cost-effective ways to reduce  
1354 carbon pollution while saving consumers money, and it is a  
1355 big part of the Department of Energy's responsibilities under  
1356 the President's plan. Mr. Secretary, the President's plan  
1357 calls for new energy efficiency standards for appliances and  
1358 equipment. Why are energy efficiency standards a good way to  
1359 reduce carbon pollution?

1360           Secretary {Moniz.} These standards apply to reducing  
1361 all of our emissions, carbon emissions, as well as  
1362 conventional pollutants by reducing the energy needs quite  
1363 substantially. But I really want to emphasize all of our  
1364 rules have a cost-benefit test and they also save money for

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1365 consumers. The upfront marginal increases are overwhelmed by  
1366 the energy savings at the consumer level.

1367 Mr. {Tonko.} Well, some believe that taking action to  
1368 address climate change will kill jobs and cost consumers  
1369 money. Is that an accurate description of these energy  
1370 efficiency standards?

1371 Secretary {Moniz.} No, we believe that they create jobs  
1372 for one thing by saving money in the economy that can be  
1373 devoted to other purposes.

1374 Mr. {Tonko.} Um-hum.

1375 Secretary {Moniz.} And in addition it gives us products  
1376 that we can sell globally.

1377 Mr. {Tonko.} Um-hum. I see that my time is up, Mr.  
1378 Chair. I will yield back.

1379 Mr. {Whitfield.} The gentleman's time is expired.

1380 At this time I recognize the gentleman from Illinois,  
1381 Mr. Shimkus, for 5 minutes.

1382 Mr. {Shimkus.} Thank you, Mr. Chairman.

1383 Again, welcome. I am glad to have both of you here  
1384 today.

1385 Secretary Moniz, any serious plan for reducing

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1386 greenhouse gas emissions substantially must have a strong  
1387 nuclear component. Do you agree with that?

1388 Secretary {Moniz.} I am sorry. Could you repeat that?

1389 Mr. {Shimkus.} Nuclear power is critical and obviously  
1390 having a greenhouse gas plan--

1391 Secretary {Moniz.} Yes, we are supporting nuclear  
1392 power. Yes.

1393 Mr. {Shimkus.} Do you consider nuclear programs to be a  
1394 critical part of this Administration's plan?

1395 Secretary {Moniz.} Yes, it is all of the above, and  
1396 nuclear is strongly there.

1397 Mr. {Shimkus.} So you probably weren't interested in  
1398 following the last licensing case before the NRC and the only  
1399 person who voted against licensing? That was the then-  
1400 Chairman Jaczko, who was appointed by this President. So the  
1401 concern is the conflicting signals we are seeing. You have  
1402 got the presidential-appointed chairman of the NRC casting  
1403 the only ``no'' vote for licensing a new nuclear power plant  
1404 in this country. And so that leads to the other questions.

1405 Under this Administration how many nuclear reactors have  
1406 closed down?

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1407 Secretary {Moniz.} I believe there are five--

1408 Mr. {Shimkus.} It is actually six. We have got one in

1409 New Jersey, Wisconsin, California, Florida, and Vermont.

1410 Secretary {Moniz.} And five being built.

1411 Mr. {Shimkus.} Right, without the vote to license by

1412 the chairman of the NRC, who was appointed by the President.

1413 So I will give you that point, but you have to give me a

1414 point on jobs that a lot of jobs have been lost by the

1415 shutdown of these nuclear facilities.

1416 Under the President's Climate Action Plan, EPA is

1417 expected to propose a rule later this week setting greenhouse

1418 gas standards for new power plants that will require CCS

1419 technologies for any new coal plant built in the U.S. This

1420 is effectively, as many of us fear and Administrator McCarthy

1421 knows where I stand on this, a ban on new coal-fired power

1422 plants. Do you believe, as the Secretary of Energy, that it

1423 is defensible for the EPA to impose regulations that

1424 essentially ban the building of new coal-fired power plants

1425 in this country?

1426 Secretary {Moniz.} Well, I certainly am not going to

1427 comment on the ongoing--

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1428 Mr. {Shimkus.} But from an energy position of the  
1429 baseload demand or the requirements of this country in low-  
1430 cost power, obviously removing coal-fired power plants from  
1431 the fleet will raise costs?

1432 Secretary {Moniz.} Again, our job at the Department of  
1433 Energy is to--

1434 Mr. {Shimkus.} Hopefully--

1435 Secretary {Moniz.} --support the--

1436 Mr. {Shimkus.} --production of low-cost energy for our  
1437 consumers--

1438 Secretary {Moniz.} Making technologies--

1439 Mr. {Shimkus.} --and our manufacturers and the like.

1440 Secretary {Moniz.} --for coal in a low-carbon world.

1441 And I might add there is lots of activity already--

1442 Mr. {Shimkus.} Well, we are going to keep following on  
1443 that course of questions. Is the DOE aware of any U.S.  
1444 commercial-scale power generation plant using coal as a fuel  
1445 that captures, transports, and permanently stores carbon  
1446 dioxide?

1447 Secretary {Moniz.} Well, as you know, there have been a  
1448 number of demonstrations. There is the commercial--

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1449 Mr. {Shimkus.} That is not the question. The question  
1450 is is there one today--

1451 Secretary {Moniz.} Commercial plant 75 percent complete  
1452 and Mississippi--

1453 Mr. {Shimkus.} But it is--

1454 Secretary {Moniz.} --and also although--

1455 Mr. {Shimkus.} --not generating and not storing.

1456 Secretary {Moniz.} But if I may add, it is not a power  
1457 plant, but I think we should not ignore the fact--

1458 Mr. {Shimkus.} That is another good point.

1459 Secretary {Moniz.} --that 12 years we have the Great  
1460 Plains Weyburn project, 20 million tons have been used for  
1461 EOR, and it is running on a commercial basis.

1462 Mr. {Shimkus.} All right. The point, as you know, CCS  
1463 takes billions of dollars. There is no commercially  
1464 available technology to do it. It is not being conducted  
1465 right now for--and I am going to turn to the administrator,  
1466 who is a friend--but for these new rules to be promulgated,  
1467 it is a signal that we are not going to build new coal-fired  
1468 power plants until there is at least a demonstrated ability  
1469 to have this technology, and the concern is the costs are

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1470 going to be great.

1471 Administrator McCarthy, has EPA ever established a new  
1472 source performance standard for an emissions source on the  
1473 basis of technology that has not been commercially proven by  
1474 operation at commercial scale?

1475 Ms. {McCarthy.} We have in the past, for example, our  
1476 use of scrubbers was seen as an innovative but--

1477 Mr. {Shimkus.} But there is commercially available at  
1478 that time?

1479 Ms. {McCarthy.} It was--

1480 Mr. {Shimkus.} That is the whole difference between the  
1481 clean air debate and the greenhouse gas debate is in the  
1482 clean air debate technology was available. In the greenhouse  
1483 gas debate it is not available. That is really the number  
1484 one concern that we have. Do you want to--

1485 Ms. {McCarthy.} No--

1486 Mr. {Shimkus.} I mean do you agree with that or--

1487 Ms. {McCarthy.} Congressman, the rule has yet to be  
1488 issued, but I will say that this is an issue that was heavily  
1489 discussed. That is the reason why we are repurposing. We  
1490 will have a full debate about this when the rule goes out,

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1491 but I would indicate to you that this rule is not about  
1492 existing facilities. It is about the future plants that are  
1493 being constructed. And there are four plants that are  
1494 planning on and designing in CCS at levels that would beat  
1495 anything that we had proposed in our earlier proposal.

1496 Mr. {Shimkus.} And I hope you are right and I hope it  
1497 is successful. The point is it will be costly.

1498 I am going to end on this, Chairman.

1499 And I think you have litigation issues that are unknown.  
1500 The State of Illinois is applying for this, as you know.  
1501 Secretary, you are doing your research there. There is other  
1502 issues just than being able to, you know, get this down in  
1503 deep sequestration aquifers.

1504 So thank you, Mr. Chairman. I yield back.

1505 Mr. {Whitfield.} Ms. McCarthy, will you provide us a  
1506 list of those four plants you just referred to?

1507 Ms. {McCarthy.} Certainly.

1508 Mr. {Whitfield.} Thank you.

1509 At this time I recognize the gentleman from Texas, Mr.  
1510 Green, for 5 minutes.

1511 Mr. {Green.} Thank you, Mr. Chairman. And like my

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1512 colleagues, I would like to welcome Administrator McCarthy  
1513 and Secretary Moniz and thank you both for appearing today  
1514 and look forward to our discussion. And I have enjoyed it so  
1515 far.

1516 Administrator McCarthy, I have been concerned in the  
1517 past that EPA has not taken DOE's concern about reliability  
1518 seriously when developing utility rules. Can you commit to  
1519 giving deference to DOE on grid reliability when drafting a  
1520 rule for existing power plants? Is that part of the  
1521 consideration with EPA?

1522 Ms. {McCarthy.} We have worked hand-in-hand in  
1523 developing this proposal and we certainly will on the  
1524 evaluation of comments in moving any rule forward.

1525 Mr. {Green.} Okay. And I see the Secretary shaking his  
1526 head, too, so I am glad you all are working together because  
1527 even though we want as clean air as we can, we still want to  
1528 be able to turn on the lights.

1529 Ms. {McCarthy.} Yes, sir.

1530 Mr. {Green.} And particularly in Texas have our air-  
1531 conditioning in the summer.

1532 I generally support the research and international

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1533 efforts to address greenhouse gas emissions that the  
1534 Administration is undertaking. When it comes to regulating  
1535 carbon from our industrial services, I do see that Congress  
1536 should move past its gridlock and develop a regulatory plan  
1537 instead of the EPA. I think Congress ought to do our job and  
1538 particularly the Supreme Court said the EPA already has the  
1539 current authority. But until Congress starts to legislate  
1540 again, we can't sit here and just complain about the EPA are  
1541 doing what the Supreme Court said it has the authority.  
1542 Climate change is real and it is something that Congress  
1543 should act on.

1544 Secretary Moniz, where are we with the CCS technology?  
1545 I know that the plant in Mississippi may be up and running in  
1546 the next year, but even that is not guaranteed. When do you  
1547 reasonably expect CCS to become technologically and  
1548 economically feasible?

1549 Secretary {Moniz.} Well, I think we should talk about  
1550 carbon capture and sequestration. Certainly carbon capture,  
1551 whether it be for combustion plants or for gasification  
1552 plants, is demonstrated technology. We continue to invest in  
1553 new technologies that will further reduce cost, but those are

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1554 used technologies in various places, well, certainly in the  
1555 petrochemical industry, in the former case, Great Plains  
1556 plant in the second case.

1557           And on sequestration side, storage side, as I said  
1558 earlier, this one plant, this one field in Weyburn for  
1559 enhanced oil recovery has already stored 20 million tons.  
1560 And largely in Texas actually we are using 60 megatons a year  
1561 for producing 300,000 barrels of oil. So this is a growing  
1562 concern so the components are all there.

1563           Mr. {Green.} Well, and I think some of our concern is  
1564 that we don't want the requirements to get past what either  
1565 the technology or what you can capitalize to be able to deal  
1566 with. And so there needs to be coordination there if that  
1567 technology is there and there are examples of it. But is the  
1568 plant up in Mississippi? Do we have a timeline on when they  
1569 are going to actually be up and running?

1570           Secretary {Moniz.} I believe they are operating in 2014  
1571 or 2015. It is quite close. It is a gasification plant  
1572 again, and again, the CO2 will go to enhanced oil recovery in  
1573 local fields.

1574           Mr. {Green.} Well, and there has been success in, you

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1575 know, the Midland area, the Permian basin for, you know,  
1576 enhanced oil recovery and we even have a pipeline from  
1577 Mississippi to the Gulf coast to use so--

1578 Secretary {Moniz.} Yes.

1579 Mr. {Green.} --there are examples.

1580 Secretary {Moniz.} On average in Texas it has been  
1581 about a half-a-ton stored per barrel of oil produced.

1582 Mr. {Green.} Okay. I appreciate it because it is a  
1583 beneficial use. We can use it for--

1584 Secretary {Moniz.} Um-hum.

1585 Mr. {Green.} --enhanced recovery. You testified that  
1586 in developing the GHG regulations for existing power plants  
1587 you engaged in the outreach to a broad group of stakeholders  
1588 with expertise who can inform development of proposed  
1589 standards and regulation guidelines, which you expect to  
1590 issue in June of 2014. You also said that for us to be  
1591 successful, the policy to be developed would have to promote  
1592 economic growth. Some people say that any policy to address  
1593 climate change is only going to do harm to our economy. To  
1594 what degree will utilities play a role in developing these  
1595 regulations? Is there a formal process already scheduled

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1596 that they participate in?

1597 Ms. {McCarthy.} EPA has already engaged in a number of  
1598 utility- and energy-related forums talking about this issue  
1599 and we will engage with the utility every step of the way.  
1600 It is my concerted belief and I think you will see this as we  
1601 talk to States that they are taking numerous actions already  
1602 that are reducing greenhouse gases. There are so many States  
1603 that already have renewable fuel standards, energy efficiency  
1604 standards. They are working with their mayors to make their  
1605 cities more efficient. There are ways in which we can  
1606 recognize and understand how best we can shape these plans  
1607 that States need to develop that will be beneficial to them  
1608 on an economic perspective and beneficial to the U.S. and the  
1609 world to reduce the threat of climate change.

1610 Mr. {Green.} Mr. Chairman, I know I am over time, but  
1611 these power companies are actually part of that process?

1612 Ms. {McCarthy.} Very much so.

1613 Mr. {Green.} Thank you, Mr. Chairman.

1614 Mr. {Whitfield.} The gentleman's time is expired.

1615 At this time I recognize the gentleman from Louisiana,  
1616 Mr. Scalise, for 5 minutes.

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1617           Mr. {Scalise.} Thank you, Mr. Chairman. I appreciate  
1618 you holding this hearing and, Administrator McCarthy and  
1619 Secretary Moniz, I appreciate you all being here talking  
1620 about climate change policies.

1621           And of course a lot of this comes in the context of  
1622 economic policy, how these policies have an impact on  
1623 families, how they have an impact on the economy. We hear  
1624 all the time from small businesses I meet with, I know  
1625 talking to my colleagues the same thing. Some of the biggest  
1626 impediments they have to creating jobs right now are policies  
1627 coming out of Washington, and frankly, Administrator  
1628 McCarthy, the policies coming out of EPA seem to be at the  
1629 top of that list, a lot of the threats coming out of EPA.

1630           And I know you are new to the current job you have that  
1631 you have been at the EPA in different roles throughout these  
1632 years. And I don't know if you all recognize those impacts.  
1633 We have talked about them before in our committee hearings,  
1634 but when you look at the climate policies that you are  
1635 proposing, I want to read a comment from you recently and get  
1636 your take on it. I think the administrator said this  
1637 recently. ``Essentially, the President said that it is time

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1638 to act. He said he wasn't going to wait for Congress but  
1639 that he had administrative authorities and that it was time  
1640 to start utilizing those more effectively in a more concerted  
1641 way. ''

1642 And so, Administrator McCarthy, when you talk about the  
1643 President's task to you to act regardless of what Congress  
1644 does, it causes a big concern not only to Members of Congress  
1645 but to people across the country who believe in a democratic  
1646 process where Republicans and Democrats work together. And  
1647 Congress is the body that is supposed to shape law and then  
1648 the President through his Secretaries, including you are the  
1649 ones who are supposed to administer the policies that  
1650 Congress passed.

1651 And so when you are echoing the President, who says, you  
1652 know what, I don't care if Congress didn't do it; it is time  
1653 to act anyway, I hope you understand the chilling effect that  
1654 is sent across the country. And I would like to get your  
1655 interpretation of what you think the President means and what  
1656 you think the authority you have to act is even if Congress  
1657 chooses not to go down the path you want to.

1658 Ms. {McCarthy.} Let me rephrase the issue in a way that

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1659 hopefully is a bit more positive. I think the President--

1660 Mr. {Scalise.} Because it is not positive when I hear  
1661 those comments.

1662 Ms. {McCarthy.} I think the President has reached out  
1663 and indicated that congressional action would be something  
1664 that he would want to engage in and that he would welcome. I  
1665 think what he has also told us to do is look at the laws that  
1666 Congress has already enacted through their own public  
1667 democratic process and what have they told the agencies that  
1668 their responsibility is and their authority is. We are not  
1669 doing anything at EPA or in the climate plan that goes  
1670 outside the boundaries of what Congress has said is our  
1671 mission and our authority.

1672 Mr. {Scalise.} Well, and I would hope you would keep  
1673 that in mind as you develop policies because we are concerned  
1674 about some of the things that you are doing in terms of them  
1675 going against wishes of Congress. And the cap-and-trade bill  
1676 that defeated when there was a super majority in the Senate,  
1677 so clearly Congress spoke that that is not something that we  
1678 wanted. Just a few weeks ago we in the House voted. The  
1679 vote was 237 to 176 to reject a carbon tax, an actual vote--

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1680 Ms. {McCarthy.} Yes.

1681 Mr. {Scalise.} --on the House Floor to reject a carbon  
1682 tax and it passed overwhelmingly with Democrats voting with  
1683 Republicans. And in fact Barbara Boxer was recently quoted  
1684 saying, ``we don't have the votes for carbon tax or carbon  
1685 fee.'' I would hope you would take all of that into  
1686 consideration when you are looking at climate change  
1687 policies. Not only did we say we don't want it; we voted to  
1688 reject a carbon tax. And so you need to take that into  
1689 consideration. That is not an authority you have, and in  
1690 fact, Congress has now said that is something that you don't  
1691 have an authority. We reject that.

1692 I want to also bring up when you look at the impacts of  
1693 these kind of policies how they are working in other  
1694 countries. And again it has a real impact on our economy  
1695 when some of these rules are proposed, but some of these  
1696 other countries across the globe have already tried to go  
1697 down this road in terms of climate change policy that you are  
1698 looking at. There was just a revolt in Australia in their  
1699 government, a complete upheaval because of their carbon tax.  
1700 In fact, there is a movement with this new government to

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1701 repeal the carbon tax.

1702           Read from the Telegraph just a few weeks ago, ``Brussels  
1703 fears European industrial massacre sparked by energy costs.''   
1704 The Business Report, ``Merkel warns E.U. against tough carbon  
1705 targets.'' Financial Times, ``European utilities warned E.U.  
1706 over energy risks.'' Special Online, ``Germany's Energy  
1707 Poverty: How Electricity Becomes a Luxury Good.'' It goes on  
1708 and on. And the U.K. Express, ``3,000 pounds-a-year bills on  
1709 the way as energy prices rise again.'' The Telegraph,  
1710 ``Romanic Germany risks economic decline as green dreams  
1711 spoils.''

1712           I hope you understand the countries that have tried this  
1713 it is failing miserably. They are having revolts in those  
1714 countries. So Congress has acted. Congress has sent a  
1715 message to you. I hope you would respect those messages that  
1716 have been sent not just here in Congress but look at what has  
1717 happened in where they have actually gone down this road in  
1718 other countries and they are seeing dramatic declines in  
1719 their economy, dramatic increases in energy costs that hurt  
1720 real families. These are the concerns we have. As you are  
1721 looking at climate policy in your agency, recognize the will

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1722 of the people here in this country.

1723 I yield back.

1724 Mr. {Whitfield.} The gentleman's time is expired.

1725 This time I recognize the gentlelady from California,

1726 Mrs. Capps, for 5 minutes.

1727 Mr. {Waxman.} Will Mrs. Capps yield to me for 30

1728 seconds?

1729 Mrs. {Capps.} Yes, I will.

1730 Mr. {Waxman.} I just want to point out that there is no

1731 reason you should be mindful of proposals that even passed

1732 the House if they are not law. You have got to be mindful of

1733 what the laws are. And what you have to do is enforce the

1734 laws. So this argument you should pay attention to what

1735 Republicans were able to pass through the House is not a law.

1736 Thank you for yielding to me.

1737 Mrs. {Capps.} Thank you. Thank you also from me,

1738 Administrator McCarthy and Secretary Moniz, for appearing

1739 today and for your testimony.

1740 Given the immediate and long-term threats posed by

1741 climate change, I am very encouraged that we are finally

1742 having a formal discussion on this pressing issue. With

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1743 Congress inaction, the President's Climate Action Plan is a  
1744 welcome step forward and we need to debate it because we need  
1745 to cut carbon pollution. We need to help prepare for the  
1746 impacts of climate change.

1747         Last February, I wrote a letter to the President signed  
1748 by 40 of my colleagues urging him to create a panel to help  
1749 local communities to prepare for climate change impacts. One  
1750 of our key recommendations in this letter was to fully  
1751 evaluate the budgetary impacts of this problem. Climate  
1752 change is already costing the Federal Government tens of  
1753 billions of dollars in disaster assistance, right? By  
1754 investing some of this money up front in resiliency measures  
1755 we could minimize these costly impacts down the road and we  
1756 could create jobs doing that implementation. So I was  
1757 pleased to see the President included a similar task force on  
1758 preparedness in his Climate Action Plan.

1759         Administrator McCarthy, can you discuss what the task  
1760 force will be working on and to what extent it will be  
1761 examining this budgetary impact? For example, will you be  
1762 issuing findings comparing the long-term costs of inaction to  
1763 those of building a more resilient infrastructure?

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1764 Ms. {McCarthy.} Thank you for the question. As you  
1765 recognize, the President's Climate Action Plan focused just  
1766 as heavily on the adaptation question as it did on the  
1767 mitigation issues in the international component. I think he  
1768 did that recognizing the extreme concern that communities are  
1769 facing now and the public health impacts associated with not  
1770 recognizing that the climate is changing and preparing for  
1771 that and making our communities more resilient in a changing  
1772 climate.

1773 He established a task force to look at these issues. We  
1774 are going to be working with every State and community.  
1775 There is support already that has been recently issued by the  
1776 Department of the Interior to look at resiliency projects,  
1777 \$100 million as a result of the Climate Action Plan moving  
1778 this forward. We all have, each agency, developed Climate  
1779 Action Plans. We are participating on both national forums  
1780 as well as developing our own task forces to begin working  
1781 with communities more effectively to integrate what we know  
1782 about a changing climate into the work that we do. There is  
1783 a great deal of work on going. It has been nurtured over the  
1784 past few years but it certainly has been given a boost in the

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1785 action plan and will move this forward.

1786 Mrs. {Capps.} Thank you.

1787 Secretary {Moniz.} May I just have a--

1788 Mrs. {Capps.} Well, okay, but I have a question for  
1789 you, too. Let me ask the question and that maybe you can  
1790 weave that in.

1791 DOE currently focuses heavily on more mature  
1792 technologies like solar and wind. While I support these  
1793 efforts of course, I want to make sure we are not neglecting  
1794 some other promising renewable technologies. For example,  
1795 there are several companies, including Ecomerit in my  
1796 district, which are developing exciting new technologies to  
1797 reliably harness energy from ocean waves, tides, and  
1798 currents. In fact, the Ecomerit was recently awarded a  
1799 \$500,000 DOE grant to help develop its wave energy  
1800 technology. This only scratches the surface, however, of  
1801 public and private investments that are needed.

1802 So, Secretary, I was going to ask you and you can  
1803 respond any way want to. What does the President's Climate  
1804 Action Plan due to expand the development of marine and  
1805 hydrokinetic energy technologies?

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1806 Secretary {Moniz.} Thank you. If I may just add--

1807 Mrs. {Capps.} Sure.

1808 Secretary {Moniz.} --a note to the earlier question  
1809 that in addition to that task force, there has also been a  
1810 specific Sandy task force led by HUD. The work that I  
1811 described earlier on the micro-grid comes under that umbrella  
1812 and that will be translatable to other parts of the country.

1813 Mrs. {Capps.} Absolutely.

1814 Secretary {Moniz.} Finally, under FEMA we also have  
1815 responsibilities for DOE for, you know, energy  
1816 infrastructure, other agencies for other parts of our  
1817 national infrastructure.

1818 On your question to me--

1819 Mrs. {Capps.} Yes.

1820 Secretary {Moniz.} --it is very important that we not  
1821 forget what are sometimes called the forgotten renewables,  
1822 and that includes--

1823 Mrs. {Capps.} Absolutely.

1824 Secretary {Moniz.} --hydrokinetic waves, tides, small  
1825 hydro, advanced geothermal, and we are looking to increase  
1826 our emphasis on those as we go forward.

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1827           Mrs. {Capps.} Thank you. If I could follow up, I would  
1828 love to have a written response on some of the ways that you  
1829 want to do that that I could take back to some promising  
1830 industries in my local district that would love some support  
1831 like the one that was given to Ecomerit in terms of clean  
1832 energy technology.

1833           Mr. {Whitfield.} The gentlelady's time is expired.

1834           At this time I would like to recognize the gentleman  
1835 from Pennsylvania, Mr. Pitts, for 5 minutes.

1836           Mr. {Pitts.} Thank you, Mr. Chairman.

1837           Secretary Moniz, you have recently taken over leadership  
1838 at DOE and you understand the role of DOE in establishing and  
1839 coordinating national energy policy. Can you tell us whether  
1840 DOE is going to have an active role going forward in ensuring  
1841 that the climate policies pursued by other federal agencies  
1842 do not negatively affect the affordability and availability  
1843 of energy?

1844           Secretary {Moniz.} Thank you for the question. The  
1845 principal way in which we will be doing that over these next,  
1846 say, 3 years is the so-called quadrennial review process.  
1847 That will be convened out of the Executive Office of the

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1848 President but the Department of Energy will be establishing  
1849 the secretariat and the analytical underpinnings. And that  
1850 will involve the entire Administration. So that will be our  
1851 principal role there. And I can also assure you, as I have  
1852 in previous testimony here, that we view our job in  
1853 technology development as being to innovate to keep lowering  
1854 the costs of energy for our consumers and our industry.

1855 Mr. {Pitts.} So you will review climate policies,  
1856 regulatory initiatives of EPA that have the potential to  
1857 negatively affect the affordability and reliability of  
1858 energy?

1859 Secretary {Moniz.} Well, for processes--and Ms.  
1860 McCarthy can answer--I mean of course we have review  
1861 processes. What we will do in this context is help provide  
1862 the threads, some of the analytics to bring together all the  
1863 agencies to discuss energy policy broadly, environment,  
1864 security, economy.

1865 Mr. {Pitts.} Administrator McCarthy, I want to  
1866 understand with all the climate change-related programs that  
1867 your agency pursues such as research, technology development,  
1868 grants, education, and outreach, does your agency determine

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1869 at the outset what those programs are supposed to accomplish  
1870 and then go back and evaluate whether they actually did  
1871 accomplish what they set out to do?

1872 Ms. {McCarthy.} We keep quite close track. And I would  
1873 just add that many of the programs that we run are programs  
1874 that Congress has specifically directed us to run and at  
1875 specific funding levels.

1876 Mr. {Pitts.} Now, does EPA make information about what  
1877 these programs have actually achieved available to the  
1878 public?

1879 Ms. {McCarthy.} Very much so. We are quite--

1880 Mr. {Pitts.} Can you identify for us what or where that  
1881 information is available?

1882 Ms. {McCarthy.} I can certainly provide that to you.

1883 Mr. {Pitts.} Now, EPA has been implementing climate  
1884 policies for a number of years. Have you evaluated what that  
1885 work has actually accomplished in terms of meaningfully  
1886 addressing climate risk and could you share that with the  
1887 committee?

1888 Ms. {McCarthy.} We certainly take a look at work that  
1889 we do to understand what kind of greenhouse gas reductions

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1890 might have been reduced, but as we all know, reducing climate  
1891 risk is a global effort and the U.S. is participating in that  
1892 effort as rigorously as we can.

1893 Mr. {Pitts.} Now, Ms. McCarthy, does EPA coordinate  
1894 with other agencies when it evaluates the impact of its  
1895 regulatory action relating to the power sector?

1896 Ms. {McCarthy.} Very much so. In every regulatory  
1897 process all agencies participate in the interagency review.  
1898 Part of that is to look at the cost-and-benefit analysis that  
1899 EPA produces and to comment on both of those. Those are--

1900 Mr. {Pitts.} For example, have you consulted with the  
1901 Department of Health and Human Services about the impact of  
1902 energy poverty or higher energy prices on health or the  
1903 ability to respond to extreme weather events?

1904 Ms. {McCarthy.} Well, what we have done is to ensure  
1905 that we do a complete analysis to the extent that it is  
1906 available to us and appropriate on what the economic  
1907 consequences are of our rulemaking, and we take great pains  
1908 to make sure that we do not threaten reliability, nor do we  
1909 put out rules that will significantly increase cost to  
1910 consumers.

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1911 Mr. {Pitts.} One other question, Administrator  
1912 McCarthy. The President's Climate Action Plan says on page  
1913 10 that ``curbing emissions of methane is critical to our  
1914 overall effort to address climate change.'' And it refers to  
1915 an Interagency Methane Strategy Group--

1916 Ms. {McCarthy.} Yes.

1917 Mr. {Pitts.} --that is identifying technologies and  
1918 best practices for reducing methane emissions. I should also  
1919 note that EPA's website indicates that we can cut methane  
1920 significantly by reducing reliance on landfilling and  
1921 increasing use of modern waste-to-energy facilities like the  
1922 one in my district, the Lancaster County Solid Waste  
1923 Management Authorities facility. Will you recommend to the  
1924 Interagency Methane Strategy Group or may I request that you  
1925 recommend the importance of focusing on ways to increase the  
1926 United States' use of waste energy for managing nonrecyclable  
1927 waste?

1928 Ms. {McCarthy.} We will raise that issue but I think if  
1929 you see the tone and tenor of the President's remarks in the  
1930 Climate Action Plan, it is an effort to understand where  
1931 methane is being generated, how effectively to work with the

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1932 industry on strategies that will reduce that methane and  
1933 recapture it because it becomes a significant financial  
1934 opportunity. Those are the kinds of things we certainly want  
1935 to capitalize on.

1936 Mr. {Pitts.} Thank you.

1937 Secretary {Moniz.} If I may add, the \$1 billion loan  
1938 guarantee program that we will be issuing would include MSW  
1939 technologies as a possibility.

1940 Mr. {Pitts.} Thank you, Mr. Chairman. My time is  
1941 expired.

1942 Mr. {Whitfield.} The gentleman's time is expired.

1943 At this time I recognize the gentleman from  
1944 Pennsylvania, Mr. Doyle, for 5 minutes.

1945 Mr. {Doyle.} Thank you, Mr. Chairman.

1946 Administrator McCarthy, it is a pleasure to have you  
1947 here today.

1948 Secretary Moniz, I just want to say your recent visit to  
1949 Pittsburgh was appreciated and well-received by all of us in  
1950 attendance and we hope to have you back there soon.

1951 Well, your visit is very timely today because many of us  
1952 are eagerly awaiting the first rule regulating carbon

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1953 pollution from power plants, the single-biggest emitter of  
1954 carbon in the United States. And though I think the  
1955 legislation to address climate change through a cap-and-trade  
1956 system would have been an easier, more direct approach to  
1957 limiting our Nation's global warming impact, we tried that  
1958 here in this committee, and unfortunately, we were unable to  
1959 get it passed.

1960 But having said that, I want to point out that where I  
1961 live in southwestern Pennsylvania we are witnessing coal  
1962 plant retirements nearly every month, which is impacting the  
1963 economy and many of our constituents and potentially the  
1964 reliability of the electric grid. Now, whether that is  
1965 because of low natural gas prices, environmental regulations,  
1966 or old age, the fact is we are taking a lot of old power  
1967 plants off-line and making it very difficult to build new  
1968 ones.

1969 So the central tenet of the President's Climate Change  
1970 Plan is of course the new source performance standards for  
1971 power plants. And it has been widely reported that the  
1972 standard for new coal-fired power plants would require some  
1973 type of CCS technology to comply. Now, I am aware of and

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1974 have supported the creation of several demonstration projects  
1975 for CCS across the country, but I am not aware that there is  
1976 anyone that would be considered BSER, you know, the best  
1977 system of emission reductions, as defined by the Clean Air  
1978 Act. Can you tell me how CCS is going to achieve that  
1979 requirement that BSER be adequately demonstrated considering  
1980 cost, energy requirements, and environmental impacts?

1981 Ms. {McCarthy.} Congressman, first of all, it is good  
1982 to be here. Thank you for the welcome.

1983 The first thing I would say is that relative to the  
1984 retirements that you were discussing, we have been very  
1985 strongly engaged with our energy colleagues to ensure that as  
1986 retirements are happening that we work with our energy office  
1987 and our agency and others to make sure that those issues are  
1988 managed effectively, and we do not see that there is any gap  
1989 in our communication system in ensuring that we can achieve  
1990 those regulatory standards effectively without threatening  
1991 reliability.

1992 In terms of the rule that is coming out, I do not want  
1993 to speak exactly to what the rule is going to say. It would  
1994 be inappropriate for me to do that. But I will say that on

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1995 the basis of information that we see out in the market today  
1996 and what is being constructed and what is being contemplated  
1997 that CCS technology is feasible and it is available today.

1998 Now, that is not to give a signal about what is going on  
1999 in the rule. That needs to be put in a broader as well as a  
2000 more specific context and we will meet our regulatory  
2001 obligation to look at what is possible and what we should be  
2002 doing for new future power plants. Frankly, the challenge is  
2003 that we need to provide certainty for how you construct a  
2004 coal facility in the future that will allow investment in  
2005 that technology and allow the technologies that you are  
2006 investing in to grow and become more and more competitive and  
2007 lower those costs.

2008 Mr. {Doyle.} Let me ask you a little follow-up to that  
2009 because I am aware of the Kemper plant in Mississippi that  
2010 has been cited. Now, that plant is utilizing an innovative  
2011 technique that pipes the carbon dioxide emissions to depleted  
2012 oil fields and uses the CO<sub>2</sub> to force oil to the surface. In  
2013 Pennsylvania, that is a little less realistic for us unless  
2014 we want to build a pipeline to Texas for our CO<sub>2</sub>, which I  
2015 don't think is quite practical.

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2016 I am just curious. How is EPA taking into account the  
2017 regional differences that there are from, you know, different  
2018 places in our country as we look at these technologies? You  
2019 know, this seems to be working but it is not something that  
2020 could work in my neck of the woods. And are you going to,  
2021 you know, create guidelines that recognize the diverse fuel  
2022 mix of the country and specifically those regions like  
2023 southwestern Pennsylvania that are still heavily dependent on  
2024 fossil fuels?

2025 Ms. {McCarthy.} Well, I think we all recognize that the  
2026 use of CO2 that is captured in enhanced oil recovery becomes  
2027 very cost-beneficial in the use of CCS. There is no question  
2028 about that. And we also see part of that being as a result  
2029 there are significant pipelines that are being constructed to  
2030 take advantage of those cost considerations.

2031 Now, there is also an opportunity to sequester, which  
2032 is, I think, demonstration projects and investments that the  
2033 Secretary can speak to, but there are also products that are  
2034 being produced at the end of these design systems that  
2035 actually can be sold. So there is a variety of things that  
2036 we see developing that make it very promising for coal to

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2037 have a certain future as the President intends in an all-of-  
2038 the-above strategy.

2039 Mr. {Doyle.} Thank you very much. Mr. Chairman, I see  
2040 my time has expired.

2041 Mr. {Whitfield.} Mr. Doyle, I may mention to you that  
2042 this rule is expected out on Friday, I believe, by the 20th,  
2043 and we will be having a hearing on the proposed rule.

2044 Mr. {Doyle.} Thank you.

2045 Mr. {Whitfield.} On Saturday afternoon. Will everybody  
2046 be here on Saturday?

2047 At this time I recognize the gentleman from Nebraska,  
2048 Mr. Terry, for 5 minutes.

2049 Mr. {Terry.} What an unexpected surprise to go this  
2050 early. I appreciate that.

2051 So I am going to start off by asking unanimous consent  
2052 to put the letter of our Attorney General from Nebraska, his  
2053 letter to Gina McCarthy and a white paper that was done with  
2054 other AGs into the record.

2055 Mr. {Whitfield.} Without objection.

2056 [The information follows:]

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2057 \*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*

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2058           Mr. {Terry.} And the date of the letter is September  
2059 11, 2013.

2060           It is particularly, Ms. McCarthy, important to note that  
2061 our Attorney General is involved in this because, A) it is an  
2062 impact to our State, but B) we are a public power State so he  
2063 is a lawyer, in essence, for our public power generators.

2064 And they have a concern on the rules that are being  
2065 promulgated. I know they aren't finalized yet but,  
2066 nonetheless, in regard to coal as a new fuel, we have old  
2067 coal-fired plants that probably aren't going to make it.  
2068 They aren't going to be able to adhere to the new rules, so  
2069 the issue is can we build new plants with coal since we are  
2070 only a couple hundred miles from the Powder River basin, and  
2071 this is by far the prominent feedstock for our generators?

2072           So he has a question and I have the same question and  
2073 that is that does the EPA believe that it has the legal  
2074 authority to eliminate coal as a fuel for nuclear electrical  
2075 generation?

2076           Ms. {McCarthy.} We have the authority and  
2077 responsibility to establish standards in the case of new

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2078 facilities and guidelines where the individual States look at  
2079 their own energy mix and come back to EPA with plans on how  
2080 to comply. So I do think we believe that we are moving in a  
2081 legally sound direction, but I would also caution you that  
2082 one of the reasons we are re-proposing, Congressman, is  
2083 because there were a lot of comments on our original  
2084 proposal. There were comments on the technology, there were  
2085 legal concerns, so I would ask that we have this conversation  
2086 in a more concrete way when the new source rule comes out and  
2087 to not also project what we are doing in the new source as  
2088 being either appropriate or legally correct for existing  
2089 facilities because neither is the case.

2090 Mr. {Terry.} All right. And I appreciate that answer  
2091 and it would be easier if we had the final rule.

2092 Ms. {McCarthy.} Well, we haven't even proposed one yet,  
2093 sir. We are planning to re-propose a rule.

2094 Mr. {Terry.} Okay.

2095 Ms. {McCarthy.} So we will have certainly plenty of  
2096 time--

2097 Mr. {Terry.} Well, we certainly have concerns regarding  
2098 our ability to use the cheapest and most readily available

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2099 feed source for electrical generation--

2100 Mr. {Whitfield.} Mr. Terry, I may just interject one  
2101 moment. We were truthfully so shocked by the original rule  
2102 that--

2103 Mr. {Terry.} Yes.

2104 Mr. {Whitfield.} --we are anticipating what the new  
2105 rule is, so, sorry.

2106 Mr. {Terry.} Well, and to follow up on that though is  
2107 with the newly to-be-proposed rule after the comments, is  
2108 there still room for new coal electrical generation?

2109 Ms. {McCarthy.} I think that the rule will provide  
2110 certainty for the future of new coal moving forward, and I  
2111 think in terms of existing facilities, we believe that coal  
2112 represents now and will continue to represent a significant  
2113 portion of the energy supply moving forward for decades to  
2114 come.

2115 Mr. {Terry.} All right. How about there has been  
2116 several questions regarding nuclear power as well, and can we  
2117 even meet what the new greenhouse gas standards will be  
2118 without nuclear power as part of the portfolio?

2119 Ms. {McCarthy.} The new source standard isn't designed

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2120 to influence the existing portfolio. It is designed to  
2121 ensure that future power plants that are being constructed to  
2122 take advantage of technologies that will ensure that they are  
2123 as clean as they can be and have a past certain and a future  
2124 that will be carbon-constrained.

2125 Mr. {Terry.} Well, it is important, I think, to have  
2126 nuclear power which has basically zero greenhouse gas  
2127 emissions--

2128 Ms. {McCarthy.} I think the President--

2129 Mr. {Terry.} --to be part of our portfolio and--

2130 Ms. {McCarthy.} The President certainly shares your  
2131 concern that we make room for all fuels and all power  
2132 generation types.

2133 Mr. {Terry.} Yes, we are going to grade on actions, not  
2134 words. So I appreciate that.

2135 Secretary {Moniz.} And if I may add on that, sir, I  
2136 would note that we went through, in my view, a lot of years  
2137 with words and not actions and we are now seeing actions and  
2138 not words, \$8 billion loan guarantees for nuclear new  
2139 programs on small modular reactors. So I would say that we  
2140 are walking the talk.

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2141 Mr. {Whitfield.} The gentleman's time is expired.

2142 At this time I recognize the gentlelady from California,  
2143 Ms. Matsui, for 5 minutes.

2144 Ms. {Matsui.} Thank you, Mr. Chairman.

2145 And I thank our distinguished witnesses for joining us  
2146 today.

2147 I applaud the Administration for taking on climate  
2148 change and I strongly support the goals of the President's  
2149 Climate Action Plan to cut carbon pollution and better  
2150 prepare our country for the impacts of climate change.  
2151 Human-caused climate change is real, it is happening now, and  
2152 it will continue to produce devastating effects unless we  
2153 take immediate action. Failure to act in an urgent manner is  
2154 shortsighted and detrimental to our environmental and  
2155 economic interests.

2156 Some say that addressing climate change will cost too  
2157 much money but they neglect to consider the cost of inaction,  
2158 as well as the tremendous economic benefits of positioning  
2159 our country as a global leader in clean energy. Clean energy  
2160 industries currently employ hundreds of thousands of  
2161 Americans and the potential growth in this sector is

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2162 enormous. My home district of Sacramento boasts 14,000 clean  
2163 energy jobs. Throughout the United States, there are already  
2164 119,000 solar jobs and 80,000 wind jobs. Thousands more are  
2165 employed in energy efficiency and other areas. This is a  
2166 sector that could create millions of jobs and lead to faster  
2167 economic growth.

2168 But we do have competition. According to the Pew  
2169 Charitable Trust, last year, China invested \$65 billion in  
2170 clean energy compared to only \$36 billion in the United  
2171 States. The U.S. ranked 10th in clean energy investments per  
2172 dollar of GDP behind China, all of Europe, Canada, Australia,  
2173 South Africa, and Japan.

2174 Secretary Moniz, these other countries recognize the  
2175 economic potential of clean energy. What are they doing to  
2176 capitalize on it?

2177 Secretary {Moniz.} They meaning other countries?

2178 Ms. {Matsui.} Yes.

2179 Secretary {Moniz.} Clearly, I think people are seeing  
2180 frankly, you know, trillion-dollar markets developing. They  
2181 are developing now for clean energy to address climate, to  
2182 address air pollution, just to advance technology. And

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2183 certainly a country like China, as you know, is providing  
2184 significant incentives for domestic manufacturing capacity.

2185 Ms. {Matsui.} Well, you know, the United States has  
2186 always been a leader in clean energy technologies but clearly  
2187 we are really facing these competitive challenges from  
2188 abroad. The President's Climate Action Plan is a critical  
2189 step to ensure not just that we address the dangers of  
2190 climate change but also that the United States can compete  
2191 and lead in the clean energy economy of the future.

2192 Secretary Moniz, how will the President's Climate Action Plan  
2193 spur clean energy innovation in the United States and create  
2194 new clean energy jobs here at home? Do you believe that the  
2195 United States can once again lead the clean energy  
2196 revolution?

2197 Secretary {Moniz.} I certainly think we can and we must  
2198 lead that revolution. And I will mention two ways in which  
2199 we are moving forward. And the one is, for example, through  
2200 our continuing loan program to bring, as I said earlier,  
2201 many, many technologies to the fore. I mentioned utility-  
2202 scale solar has been a huge success and California has been a  
2203 big part of that but also the loan program for advanced

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2204 fossil and for nuclear. It is across the board for these  
2205 technologies.

2206 Another different kind of initiative I alluded to  
2207 earlier are things like the Advanced Manufacturing Initiative  
2208 where we want to capture things like 3-D printing, which can  
2209 apply to new energy technologies, as well as a host of other  
2210 technologies. So those are some of the things that we are  
2211 moving forward.

2212 Ms. {Matsui.} Um-hum. Well, thank you. Now, my  
2213 Republican colleagues are quick to argue that tackling  
2214 climate change will hurt the economy, but in reality, climate  
2215 change itself poses an enormous economic risk, and failure to  
2216 address it could be disaster for the global economy.

2217 In May CBO released a report concluding that delaying  
2218 action to reduce carbon pollution would increase the expected  
2219 damage from climate change by increasing the risk of very  
2220 costly, potentially even catastrophic outcomes. The Clean  
2221 Air Act provides a very good example of how we can make  
2222 steady progress in cleaning up the air while growing the  
2223 economy. Since its enactment in 1970, the Clean Air Act has  
2224 reduced key air pollutants in the United States by 2/3 while

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2225 the economy has tripled in size. Administrator McCarthy,  
2226 what does the history of the Clean Air Act tell us about our  
2227 ability to cut pollution while building the economy?

2228 Ms. {McCarthy.} Thank you for asking the question.

2229 We know that in our experience under the Clean Air Act  
2230 we have been able to significantly lower pollution while at  
2231 the same time GDP has risen and the economy has grown. We  
2232 know that the economic goals do not have to conflict with our  
2233 environmental standards, and we also know, in fact, that this  
2234 country is where it is because we have both cleaned our  
2235 environment, kept it safe and healthy for our families,  
2236 recognized the public health value and environmental value  
2237 that represents, while we develop an economy that respects  
2238 those needs as well. We are asking for that same strategy to  
2239 be employed as we tackle what I believe to be the most  
2240 significant public health challenge of our time, which is  
2241 climate change.

2242 Ms. {Matsui.} I thank you very much and I ran out of  
2243 time.

2244 Mr. {Whitfield.} The gentlelady's time is expired.

2245 At this time I recognize the gentleman from West

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2246 Virginia, Mr. McKinley, for 5 minutes.

2247 Mr. {McKinley.} Thank you, Mr. Chairman.

2248 I think we can agree that the CO2 levels are undeniably  
2249 increasing and some scientists and climatologists have  
2250 concluded that their energy models reflect that CO2 levels  
2251 coincide with temperature increases. Now, we were supposed  
2252 to have some charts up here. These are the models that have  
2253 been suggested by many of the scientists and climatologists,  
2254 but however, as you well know, these models are key  
2255 components of developing climate change policy, but  
2256 unfortunately, as we are finding out, this is the projection  
2257 but here is the reality of temperature changes over the last  
2258 40 years. Actually, we can say over 40 years there has been  
2259 almost no increase in temperature, very slight. In fact, the  
2260 CO2 levels even with the increased greenhouse CO2 level  
2261 emissions, the Arctic ice has actually increased by 60  
2262 percent as shown by the aerial view. Also that Antarctica is  
2263 expanding. But more importantly, this report coming out of  
2264 the United Nations, the IPCC report coming up is saying that  
2265 most experts, most experts believe by 2083, and 70 years, the  
2266 benefits of climate change will still outweigh the harm.

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2267           That leads to the question today. What should be done  
2268 about it? We hear the testimony from the Administration that  
2269 all climate change is manmade and America needs to reduce its  
2270 CO2 emissions. Let's put this in perspective.  
2271 Hypothetically, let's assume that all coal-fired generation  
2272 in America were curtailed, all coal-fired generation were  
2273 curtailed. According to the United Nations and the IPCC,  
2274 this would reduce the CO2 levels of the globe by merely 2/10  
2275 of 1 percent by ridding all coal-fired power in the United  
2276 States.

2277           The Administration also needs to remind people, as you  
2278 heard from the chairman in his opening remarks, that manmade  
2279 problems, if we could, only represent 4 percent of all the  
2280 emissions of the globe. Natural emissions represent 96  
2281 percent. So as a result, this Administration is, by virtue  
2282 of this stream of job-killing regulations, is putting our  
2283 Nation at risk all in the idea of clinging to the notion that  
2284 cutting 2/10 of 1 percent is going to save the world  
2285 environment.

2286           Let me remind, the rest of the world is not listening.  
2287 The President's energy policy is not being followed. China,

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2288 India, Russia, and Europe are all expanding their use of  
2289 coal. The Administration is working now on a new global  
2290 initiative, exporting uncertainty. According to the  
2291 President, he is not going to allow low-interest loans to be  
2292 made to developing nations around the world. Struggling  
2293 nations to come out of poverty will continue to suffer.  
2294 Lives will be lost. Children will be sick and perish as a  
2295 result of this President's support of this policy.

2296 One of the biggest moral responsibilities of the United  
2297 States should be to help emerging nations come out of  
2298 poverty. The most abundant and resourceful source of power  
2299 is coal. For a nation to emerge from poverty, it must have  
2300 access to energy, energy for refrigeration, for cooking, and  
2301 commerce.

2302 Just to give you an example, in the sub-Saharan of  
2303 Africa, the total amount of power that they can generate in  
2304 Africa is a 60 watt light bulb per person, a 60 watt light  
2305 bulb for 3 hours a day, 60 watt light bulb for 3 hours a day.  
2306 Why should they be denied access to affordable energy so they  
2307 can come out of poverty? Please take this message back to  
2308 the President.

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2309           This President must not prevent people around the globe  
2310 from obtaining affordable, dependable energy. And  
2311 threatening American jobs over 2/10 of 1 percent of the CO2  
2312 emissions is not an acceptable energy policy. Crushing  
2313 America's economy to reduce the CO2 levels by 2/10 of 1  
2314 percent is an abuse of his presidential authority.

2315           Now, if I could in just the time, I am just curious from  
2316 both of you the issue now is we are 400 parts per million.  
2317 Can you tell me what level do you want it to be? Is it what  
2318 many people are promoting, 300 parts per million?

2319           Mr. {Whitfield.} You all can respond but his time is  
2320 expired.

2321           Secretary {Moniz.} Okay. I would like to respond, Mr.  
2322 McKinley. There were a lot of issues you raised there. If I  
2323 may focus down for the sake of response, first of all, as I  
2324 have said before in this committee, the issues in terms of  
2325 the risks of climate change are not based just upon models,  
2326 as I said. It is some pretty simple arithmetic. Number two,  
2327 I don't believe anyone has ever said that quotes all climate  
2328 change is manmade. The statement is that the anthropogenic  
2329 forcings from CO2 are clearly of the scale that have long

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2330 been expected to produce the kinds of change that we are  
2331 seeing and will see.

2332 Third, I think we should address--there are many things  
2333 but let me focus on the hiatus so-called in the increase of  
2334 warming temperatures. First of all, let's not forget this  
2335 decade is the warmest decade in recorded history. So it is  
2336 not exactly like it has been cooling off.

2337 But secondly, the issues of decadal scale changes in the  
2338 rate of increase are fully expected. El Niño, La Niña, for  
2339 example, are part of this. Those models at that time did not  
2340 include other issues such as deep water warming, et cetera.

2341 I will give you an example. There is an article right  
2342 now in Nature whereby looking at the observed surface water  
2343 temperatures in the Pacific, putting them in in the East  
2344 Central Pacific, putting them in, it comes completely with  
2345 this hiatus and it is only a hiatus in the constant global  
2346 warming. So I believe we have to say this is a misreading of  
2347 the record.

2348 The statement stands that anthropogenic CO2 emissions  
2349 and other greenhouse gas emissions are a driver at the level  
2350 of multiple degrees centigrade in this century. We are up .9

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2351 so far. And that is very consequential. In fact, I remind  
2352 you that we wouldn't be here if it weren't for the greenhouse  
2353 effect of water vapor, which has provided 60 degrees  
2354 Fahrenheit of surface warming. We are just tuning that by a  
2355 few degrees centigrade at great peril.

2356 Mr. {Whitfield.} We are going 2 minutes and 35 seconds  
2357 over so--

2358 Mr. {Waxman.} Mr. Chairman, I would like to ask  
2359 unanimous consent that we put in the record a study by Dr.  
2360 Benjamin Santer, atmospheric scientist at Lawrence Livermore  
2361 National Laboratory, where he says neither volcanoes nor the  
2362 sun nor internal variability nor any combination of those  
2363 natural factors can plausibly explain the atmospheric  
2364 temperature changes we have actually observed from space  
2365 since 1979.

2366 Mr. {Whitfield.} Without objection.

2367 [The information follows:]

2368 \*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*

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|  
2369 Mr. {Whitfield.} And I also would like to put in the  
2370 record your photo of how ice has expanded by almost a million  
2371 square miles in the last year in the Arctic Circle.

2372 Mr. {Waxman.} Reserving the right to object. And I  
2373 would like to be recognized on my reservation.

2374 Mr. {Whitfield.} Absolutely, recognized.

2375 Mr. {Waxman.} Well, Mr. Chairman, I think this  
2376 illustrates why we need a committee where we bring in the  
2377 scientists. I just thought the statements that the gentleman  
2378 from West Virginia read to us were incredibly inaccurate and  
2379 contrary to everything else everybody in the scientific  
2380 community has to say, including Secretary Moniz, who is an  
2381 MIT professor for 40 years, he was the Department of Physics,  
2382 head of the Linear Accelerator Center, undersecretary of DOE,  
2383 a Ph.D. in theoretical physics from Stanford University. We  
2384 need scientists to come in here and talk about science, not--

2385 Mr. {Whitfield.} So, Mr. Waxman, are you objecting to  
2386 this?

2387 Mr. {Waxman.} Well, I just want to make that point but  
2388 I will not object.

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2389 Mr. {Whitfield.} Okay. Well, I won't object to yours  
2390 either.

2391 And at this time I would like to recognize Dr.  
2392 Christensen from the Virgin Islands for 5 minutes.

2393 Dr. {Christensen.} Thank you, Mr. Chairman. And I am  
2394 really glad we are having this hearing.

2395 And of course I support President Obama's sensible plan  
2396 to address climate change by reducing carbon pollution and  
2397 helping communities to prepare for the impacts of climate  
2398 change.

2399 In reading your testimony and hearing your testimony I  
2400 applaud the open approach to setting the standards that has  
2401 been engaging and will engage all of the stakeholders and  
2402 their concern in the process. Despite this, we continue to  
2403 hear a lot of criticism of the President's plan from our  
2404 Republican colleagues, and like our Ranking Member Waxman, I  
2405 would simply ask, what is their plan? The President has said  
2406 he is willing to work with anyone who wants to propose  
2407 alternatives. And I am glad that if Congress won't act, he  
2408 will. And I am also glad that both of you included in your  
2409 testimony that the economy also benefits from the prior

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2410 responses, has benefited from prior responses to climate  
2411 change.

2412 My district in the U.S. Virgin Islands and the other  
2413 territories are really on the forefront of this issue of  
2414 climate change. And like our panelists from the Safe Climate  
2415 Caucus forum yesterday are already experiencing the impact of  
2416 that change. In the Virgin Islands, we have already endured  
2417 a serious coral reef bleaching event that significantly  
2418 impacted our fisheries, and by extension, our tourism product  
2419 and our economic stability. If we were to continue to do  
2420 nothing, we could expect increased ocean acidification, sea  
2421 level rise, which will impact our coastal infrastructure, and  
2422 of course more intense storms, as much of the country is  
2423 experiencing.

2424 So it is absolutely and abundantly clear that climate  
2425 change is real and that we have to act. And it is important  
2426 also, as was discussed with Congresswoman Matsui, that our  
2427 country lead on this really vital issue.

2428 But as we respond, we also have to make sure that we  
2429 transition to cleaner energy sources in a way that is  
2430 workable, especially for communities with the greatest

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2431 economic challenges. In the Virgin Islands and the other  
2432 territories, we rely still very heavily on diesel generation,  
2433 and at 53 cents per kilowatt today, electricity prices are  
2434 the highest in our country. So we really have a strong  
2435 incentive to scale up affordable renewable energy and energy  
2436 efficiency, but it is going to take some time.

2437         So, Administrator McCarthy, I think you have answered my  
2438 first question. I think you have made it clear that the rule  
2439 you propose on Friday will apply only to new power plants,  
2440 correct?

2441         Ms. {McCarthy.} That is correct.

2442         Dr. {Christensen.} And next, you would start to work on  
2443 a rule to reduce carbon pollution from existing power plants?

2444         Ms. {McCarthy.} Yes.

2445         Dr. {Christensen.} So it is going to be particularly  
2446 important for my constituents that we find cost-effective  
2447 solutions that work for our specific circumstances and I  
2448 think the same is true for all of the territories and the  
2449 State of Hawaii given the high prices that we are already  
2450 paying and the challenges related to being an island and  
2451 where we are located.

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2452           So I also have read in your testimony that you plan to  
2453 work with the States and the territories to ensure that you  
2454 understand our specific circumstances as we do these things.  
2455 So under the provisions of the Clean Air Act, do States and  
2456 territories have the flexibility to achieve carbon pollution  
2457 goals in ways that work for them? Do you anticipate that  
2458 that flexibility will be there?

2459           Ms. {McCarthy.} That is correct.

2460           Dr. {Christensen.} Okay. And, Secretary Moniz, as we  
2461 look to the future of our energy supply system, do you see  
2462 promising technology-based solutions that will allow places  
2463 like the Virgin Islands and the other territories to meet our  
2464 electricity needs with clean as well as affordable power?  
2465 And what do you see as the most promising areas?

2466           Secretary {Moniz.} Um-hum. Yes, I do and I also  
2467 recognize that in fact islands often have the biggest  
2468 challenge in that combination of risk and high energy prices.  
2469 That is where, first of all, I think not being dependent upon  
2470 particularly oil imports is very important, and that is where  
2471 renewables can be very important. And also I think there is  
2472 at least one advantage in an island setting and that is

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2473 transportation based upon electricity and/or natural gas can  
2474 be more attractive because the driving range issues are not  
2475 as important. So I think there is a real future for green  
2476 islands and we would be delighted to work with you on that.

2477 Dr. {Christensen.} Where are we with ocean thermal  
2478 conversion?

2479 Secretary {Moniz.} With ocean conversion--

2480 Dr. {Christensen.} It seems like it would be a good  
2481 source.

2482 Secretary {Moniz.} Yes, and so we continue to do  
2483 research on that. That is a case where if you saw that curve  
2484 that was shown earlier with cost dropping and deployment, we  
2485 are still in the early stage of that curve. There is still a  
2486 ways to go in terms of cost reduction. But the research is  
2487 going on and there are some pilot projects in various parts  
2488 of the world.

2489 Dr. {Christensen.} Thank you. My time is up. Thank  
2490 you, Mr. Chairman.

2491 Mr. {Whitfield.} The gentlelady's time is expired.

2492 At this time I recognize the gentleman from Kansas, Mr.  
2493 Pompeo, for 5 minutes.

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2494 Mr. {Pompeo.} Great. Thank you, Mr. Chairman.

2495 Ms. McCarthy, I want to ask a couple of questions of  
2496 you. So one of the objectives today is to identify  
2497 greenhouse gas regulations that already existed and those in  
2498 the future and how they actually impact the climate change,  
2499 right? So you would agree that we want to make sure we have  
2500 a successful climate policy as a result of those sets of  
2501 rules and regulations that you promulgate, fair? Fair  
2502 baseline statement?

2503 Ms. {McCarthy.} In the context of a larger  
2504 international effort, yes.

2505 Mr. {Pompeo.} You bet. And on your website you have 26  
2506 indicators used for tracking climate change. They identify  
2507 various impacts of climate change so you would believe that  
2508 the purpose of these rules is to impact those 26 indicators,  
2509 right? So if you put a good greenhouse gas rule in place,  
2510 you will get a good outcome on at least some or all of those  
2511 26 indicators?

2512 Ms. {McCarthy.} I actually think that the better way to  
2513 think about it if I might is that it is part of an overall  
2514 strategy that is positioning the U.S. for leadership in an

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2515 international discussion because climate change requires a  
2516 global effort. So this is one piece and it is one step, but  
2517 I think it is a significant one to show the commitment of the  
2518 United States.

2519 Mr. {Pompeo.} Makes perfect sense, but you think it  
2520 would be reasonable to take the regulations you promulgate  
2521 and link them to those 26 indicators the you have on your  
2522 website and say this is how they impacted them?

2523 Ms. {McCarthy.} It is unlikely that any specific one  
2524 step is going to be seen as having a visible impact on any of  
2525 those impacts, a visible change in any of those impacts.  
2526 What I am suggesting is that climate change has to be a  
2527 broader array of actions that the U.S. and other folks in the  
2528 international community take that make a significant effort  
2529 towards reducing greenhouse gases and mitigating the impacts  
2530 of climate.

2531 Mr. {Pompeo.} But these are your indicators, Ms.  
2532 McCarthy, so these are--

2533 Ms. {McCarthy.} They are indicators of climate change.  
2534 They are not--

2535 Mr. {Pompeo.} Right. Precisely.

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2536 Ms. {McCarthy.} --directly applicable to performance  
2537 impacts of any one action.

2538 Mr. {Pompeo.} How about the cumulative impact of your  
2539 actions? Certainly, you are acting in a way, you say these  
2540 are the indicators of climate change. It certainly can't be  
2541 the case that your testimony today is that your cumulative  
2542 impact of your current set of regulations and those you are  
2543 proposing isn't going to have any impact at all on any of  
2544 those indicators?

2545 Ms. {McCarthy.} I think that the President was very  
2546 clear what we are attempting to do is put together a  
2547 comprehensive climate plan across the Administration that  
2548 positions the U.S. for leadership on this issue and that will  
2549 prompt and leverage international discussions and actions.

2550 Mr. {Pompeo.} So you are putting regulations in place  
2551 for the purpose of leadership that not to impact the  
2552 indicators that you, the EPA, says are the indicators of  
2553 climate change? I am deeply puzzled by that.

2554 Ms. {McCarthy.} Congressman, we are working within the  
2555 authority that Congress gave us to do what we can, but all I  
2556 am pointing out is that much more needs to be done and it

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2557 needs to be looked at in that larger context.

2558 Mr. {Pompeo.} So 2010 it is in your opening statement  
2559 we have gotten rid of a whole bunch of greenhouse gas, about  
2560 6 billion metric tons. For example, one of your indicators  
2561 is heat-related deaths. How many heat-related deaths have  
2562 been eliminated as a result of the 2010 NHTSA rules?

2563 Ms. {McCarthy.} You can't make those direct  
2564 connections, Congressman; neither can I.

2565 Mr. {Pompeo.} Right. So there is literally no  
2566 connection to the activities you are undertaking and to the--

2567 Ms. {McCarthy.} I did not say that.

2568 Mr. {Pompeo.} Well, you said you couldn't make the  
2569 connection, so tell me what I am misunderstanding. Can you  
2570 draw connections between the rules you are providing, the  
2571 regulations you are promulgating and your indicators or is it  
2572 just on a--

2573 Ms. {McCarthy.} I think what you are asking is can EPA  
2574 in and of itself solve the problems of climate change. No,  
2575 we cannot. But the authority you gave us--

2576 Mr. {Pompeo.} Right.

2577 Ms. {McCarthy.} --was to use the Clean Air Act to

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2578 regulate pollution. Carbon pollution is one of those  
2579 regulated--

2580 Mr. {Pompeo.} Right.

2581 Ms. {McCarthy.} --pollutants and we are going to move  
2582 forward with what we can do--

2583 Mr. {Pompeo.} Yes.

2584 Ms. {McCarthy.} --is reasonable and appropriate.

2585 Mr. {Pompeo.} I am actually not asking that question  
2586 that you suppose that I am asking.

2587 Ms. {McCarthy.} Okay. I am sorry.

2588 Mr. {Pompeo.} I didn't ask if you had the capacity to  
2589 solve greenhouse gas issues. What I asked was is anything  
2590 you are doing doing any good as measured by the indicators  
2591 that you have provided for--so is your testimony today that  
2592 you just have no capacity to identify whether the actions EPA  
2593 has undertaken has any impact on those indicators? This is  
2594 about science--

2595 Ms. {McCarthy.} Yes.

2596 Mr. {Pompeo.} --cause-and-effect. Is there any causal  
2597 relationship between the regulations you have promulgated and  
2598 the 26 indicators of climate change that you have on your

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2599 website?

2600 Ms. {McCarthy.} The indicators on the website are broad  
2601 global indicators--

2602 Mr. {Pompeo.} They are not broad; they are very  
2603 specific.

2604 Ms. {McCarthy.} --of impacts associated with climate  
2605 change. They are not performance requirements or impacts  
2606 related to any particular act.

2607 Mr. {Pompeo.} I actually like the indicators. They are  
2608 quantifiable.

2609 Ms. {McCarthy.} They are great.

2610 Mr. {Pompeo.} Heat-related deaths, change in ocean  
2611 heat--

2612 Ms. {McCarthy.} Yes.

2613 Mr. {Pompeo.} --sea level rises, snow cover--

2614 Ms. {McCarthy.} Yes.

2615 Mr. {Pompeo.} --those are great quantifiable things  
2616 but--

2617 Ms. {McCarthy.} Yes.

2618 Mr. {Pompeo.} --now what you are telling me is--

2619 Ms. {McCarthy.} They indicate the public health impacts

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2620 associated with--

2621 Mr. {Pompeo.} Exactly.

2622 Ms. {McCarthy.} --climate change. Yes.

2623 Mr. {Pompeo.} But you are telling me is you can't link  
2624 up your actions at EPA to any benefits associated with those  
2625 quantifiable indicators that the EPA itself has proposed as  
2626 indicative of climate change?

2627 Ms. {McCarthy.} I think what we are able to do is to  
2628 show--and I hope we will show this in the package that we put  
2629 out for comment--is what kind of reductions are going to be  
2630 associated with our rules, what we believe they will have in  
2631 terms of an economic and a public health benefit. But it  
2632 again is part of a very large strategy.

2633 Mr. {Pompeo.} Awesome. My time is up. Thank you.

2634 Secretary {Moniz.} If I may just--

2635 Mr. {Whitfield.} The gentleman's time is expired. At  
2636 this time I recognize the gentlelady from--I am sorry. Did  
2637 you have a comment?

2638 Secretary {Moniz.} Well, I was going to comment briefly  
2639 that there is academic literature that does associate  
2640 extremely hot days with mortality, and I would be happy to

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2641 provide that paper.

2642 Mr. {Pompeo.} That would be great. Thank you.

2643 Mr. {Whitfield.} At this time I recognize the

2644 gentlelady from Florida, Ms. Castor, for 5 minutes.

2645 Ms. {Castor.} Well, thank you, Mr. Chairman, and thank  
2646 you very much for calling this hearing on the Obama  
2647 Administration's Climate Action Plan. And, Administrator  
2648 McCarthy, thank you very much for your leadership and  
2649 willingness to assume the challenges as EPA administrator and  
2650 it is good to see you today. And, Secretary Moniz, same goes  
2651 for you. Thank you for being here.

2652 Now, my Republican colleagues' arguments today relating  
2653 to carbon pollution and the changing climate are reminiscent  
2654 of their arguments and the arguments of special interests in  
2655 the past when it comes to updating our standards relating to  
2656 pollution and health standards and a clean environment. They  
2657 predicted as they always do we are going to have a rise in  
2658 unemployment; the unemployment rate is going to skyrocket.  
2659 They predict the economy will go into a tailspin if America  
2660 tackles pollution and climate problems. It is an argument  
2661 they raise every time America acts to set better standards

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2662 for air, for water, for children's health.

2663 All you have to do is think back to the 1970s. I am old  
2664 enough to remember what the mornings were like before the  
2665 Clean Air Act and how smoggy it was when you would come out  
2666 of your house and you could smell it and taste it. And then  
2667 the country had the wherewithal to adopt the Clean Air Act.  
2668 And over decades, our air has improved. Same can be said in  
2669 the 1990s when it comes to acid rain. It can be said how  
2670 America tackled the problem of chlorofluorocarbons that were  
2671 depleting the ozone layer. The same can be said when it  
2672 comes to cancer-causing chemicals in plastic. Plastic  
2673 industry did not collapse, did it? There is probably more  
2674 plastic around today than ever before.

2675 So I would say to my Republican colleagues: have  
2676 confidence in America's ability to innovate in the face of  
2677 significant challenges, challenges like climate change. And  
2678 coming from a vulnerable State like Florida, I think what we  
2679 see clearly ahead of us is there is a greater cost to an  
2680 action.

2681 Look at what citizens across my State and all across the  
2682 country will face in rising insurance premiums when it comes

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2683 to extreme event. We are debating flood insurance right now.  
2684 And that is going to be tied more and more to the changing  
2685 climate and sea level rise in the future. Think about what  
2686 local governments and communities are going to have to do to  
2687 invest in infrastructure. In the State of Florida we are  
2688 investing a great deal now to protect our clean water supply  
2689 and the drinking water supply from the rising bays and oceans  
2690 that are going to intrude on the drinking water supply, the  
2691 saltwater intrusion. Communities are having to invest now to  
2692 protect infrastructure, just the plain old pipes under the  
2693 ground that we need to operate as a normal community all up  
2694 and down the coast.

2695 So I see in the face of more droughts, more floods,  
2696 longer fire seasons, more intense fires, faster sea level  
2697 rise, it is very important that we take action. The costs  
2698 ahead of us will be inordinate if the Congress continues to  
2699 ignore it. So I am glad that the Administration is taking  
2700 leadership here.

2701 Secretary Moniz and Administrator McCarthy, in general,  
2702 let's talk about cost and benefits. When you propose a major  
2703 rule, you are legally required to analyze the cost and the

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2704 benefits of that rule, isn't that correct?

2705 Ms. {McCarthy.} Yes.

2706 Ms. {Castor.} In fact, hasn't cost-benefit analysis  
2707 been required for agency rulemaking ever since President  
2708 Reagan signed an Executive Order on cost-benefit analysis in  
2709 1981?

2710 Ms. {McCarthy.} That is my understanding, yes.

2711 Ms. {Castor.} And it is called cost-benefit analysis  
2712 because you are required to estimate both the cost and the  
2713 benefits of government action, is that correct?

2714 Ms. {McCarthy.} That is correct.

2715 Ms. {Castor.} If you didn't look at both the costs and  
2716 the benefits, the information wouldn't help you assess the  
2717 merits of a rule. If you only looked at cost, no rule would  
2718 ever be worth it. In fact, Mr. Secretary, DOE recently  
2719 issued a rule to require microwave ovens to be more energy  
2720 efficient. As part of that rulemaking, DOE was required to  
2721 estimate the cost and benefits of the new standards by  
2722 reducing the use of electricity. The rule will reduce air  
2723 pollution, including carbon pollution. That is one of the  
2724 benefits of the rule, isn't that right? Did the rule include

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2725 an estimate of cost of the carbon pollution that would be  
2726 avoided by the rule?

2727 Secretary {Moniz.} Yes, it did. And indeed, the need  
2728 to do that comes from a court ruling in 2007.

2729 Ms. {Castor.} And how did you get to that number? Was  
2730 it developed through an interagency process and was it based  
2731 on peer-reviewed science?

2732 Secretary {Moniz.} Yes, the process formally started in  
2733 2009. It is based upon three highly peer-reviewed models.  
2734 There has been transparency on the models back in 2009/2010,  
2735 every rulemaking that also opens up for comments going  
2736 forward. The recent change in the numbers was strictly  
2737 updating the peer-reviewed models using them with the same  
2738 inputs used previously.

2739 Ms. {Castor.} Thank you.

2740 Mr. {Whitfield.} The gentlelady's time is expired.

2741 At this time I recognize the gentleman from Ohio, Mr.  
2742 Latta, for 5 minutes.

2743 Mr. {Latta.} Well, thanks very much, Mr. Chairman, and  
2744 thanks very much for having the hearing today. And I also  
2745 want to thank the Secretary and the Administrator for being

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2746 with us today. I have appreciated the comments today.

2747 And, Mr. Secretary, if I could start with a question to  
2748 you. As the chairman had earlier stated in his opening  
2749 remarks, when the President came into office, Congress took  
2750 into consideration what was essentially his climate plan.  
2751 Congress considered whether we would embark on a complicated  
2752 and expensive regulatory program that was intent on massively  
2753 decarbonizing our energy supply and raising our energy costs.  
2754 And we were told the U.S. must take the lead.

2755 Mr. Secretary, do you think it is economically wise for  
2756 the U.S. to unilaterally implement policies that will result  
2757 in more expensive energy costs for American households in  
2758 manufacturing? And this question is really important for a  
2759 district like mine because I have 60,000 manufacturing jobs.  
2760 And I spend all my time on the road going through large  
2761 meetings, small plants across my district. And what was  
2762 happening here in Washington affects these plans and it  
2763 affects jobs back home. So, again, do you think it is  
2764 economically wise for the U.S. to unilaterally implement  
2765 policies that can result in more expensive energy for these  
2766 manufacturing facilities and for American households?

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2767           Secretary {Moniz.} First of all, in no small part due  
2768 to the shale gas boom, we are actually seeing lower costs in  
2769 many, many industries and a growth in many--

2770           Mr. {Latta.} Well, if I could just interrupt for a  
2771 minute because like in the State of Ohio 70 percent of our  
2772 energy is coal-based.

2773           Secretary {Moniz.} Yes. Again, across the country  
2774 certainly we are seeing more manufacturing, lower energy  
2775 prices, and in fact in Ohio there is also the issue of  
2776 developing shale gas now.

2777           Secondly, in terms of the U.S. moving forward, I would  
2778 say that, number one, American leadership is indispensable if  
2779 we are going to have international action. But secondly,  
2780 there is very much, I believe, the self-serving interest of  
2781 developing the new technologies that will in fact give us a  
2782 strong position in a future multi-trillion-dollar market.

2783           Mr. {Latta.} Okay. Just continuing on with that if I  
2784 could just continue on with the questions to you. Again, the  
2785 Climate Action Plan and again in that Climate Action Plan and  
2786 also in your testimony we are talking about the three pillars  
2787 there that you mentioned, and the third point being that the

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2788 United States needs to lead that international effort. And  
2789 especially when we are talking about the climate issues, you  
2790 know, what does the Administration mean by the U.S. taking  
2791 that leadership role and does this mean that we are supposed  
2792 to be the first nation that decarbonizes our energy supply on  
2793 a very large scale and expects the rest of the world to  
2794 follow? Or what is that leadership?

2795 Secretary {Moniz.} I would say it means that, first of  
2796 all, we do lead in clean energy and I believe we do lead for  
2797 sure in clean energy innovation. We have to help deploy it.  
2798 We are working, for example, the Department of State in terms  
2799 of the--if you like the policy level--has made tremendous  
2800 progress in the G-20 context and with China in terms of HFCs.  
2801 And at the Department of Energy we are working through a  
2802 variety of mechanisms.

2803 For example, we lead what is called the Clean Energy  
2804 Ministerial, which is advancing dialogues with other  
2805 countries. For example, in many countries now we have active  
2806 dialogues going on where our companies are working with  
2807 companies in those countries. I will mention countries I  
2808 have been in, Brazil, for example, recently, yesterday in

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2809 Vienna, Monday with Turkey, et cetera. They are very  
2810 interested in our technologies for industrial energy  
2811 efficiency. This is a market for our companies to go out  
2812 there, both services and technology. That is what we mean by  
2813 leading.

2814 Mr. {Latta.} Also I see from your testimony page 8 you  
2815 talk about you are finalizing the rule covering the standby  
2816 power of microwave ovens and you go on with the proposals for  
2817 the lamp fixtures, commercial refrigerators, and commercial  
2818 walk-in coolers and freezers. And I guess the question is  
2819 are there any other appliance rules that you see that are  
2820 being planned in the future?

2821 Secretary {Moniz.} Yes, indeed, and I would be happy to  
2822 supply a list of those. The next one we have said--the next  
2823 proposed rulemaking we hope to advance in November on  
2824 electric motors.

2825 Mr. {Latta.} Okay. And if you have any other  
2826 appliances that you see coming up in the future if you could  
2827 supply that to the committee--

2828 Secretary {Moniz.} Certainly. I would be happy to  
2829 write a list.

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2830 Mr. {Latta.} --we would appreciate that.

2831 Secretary {Moniz.} And I might add that in addition to  
2832 the rulemaking we are, when it is appropriate--for example,  
2833 right now with set-top boxes, we are pursuing voluntary  
2834 discussions because, frankly, when the industry and consumers  
2835 can come together and agree on a rule that we think is good,  
2836 that will actually get the rule implemented faster. So we  
2837 work both on the rulemaking and on convening voluntary  
2838 approaches to efficiency standards.

2839 Mr. {Latta.} Thank you, Mr. Chairman. My time is  
2840 expired and I yield back.

2841 Mr. {Whitfield.} At this time I recognize the gentleman  
2842 from Texas, Mr. Olson, for 5 minutes.

2843 Mr. {Olson.} Thank you, Mr. Chairman, for holding  
2844 today's hearing.

2845 And like you and Chairman Emeritus Barton and many  
2846 colleagues on my side of the aisle, I am disappointed that so  
2847 many of the Administration's experts are working to justify  
2848 and put out new carbon rules decided not to educate the  
2849 public by testifying here this morning. The 2 out of 13  
2850 attendance ratio does not bode well for the most open,

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2851 transparent Administration ever. But I am sure we will find  
2852 out where these people are, these people tomorrow that do  
2853 their jobs after we leave here.

2854 But we do have the few and the proud. Secretary Moniz,  
2855 Administrator McCarthy, welcome. My question will focus on  
2856 refineries, the U.S. energy renaissance, and power grid  
2857 issues in Texas. First of all, refineries: Ms. McCarthy,  
2858 much of today's discussion has been about the President's  
2859 carbon plan and it has been about the power sector but I also  
2860 worry about EPA's next steps for the refineries.

2861 Less than 1 month ago your EPA announced that the  
2862 Houston area was on track to attain ground-level ozone  
2863 standards by 2018. Your EPA put up ``these reductions are  
2864 even more impressive given Houston's rank as one of the  
2865 fastest-growing metropolitan areas in the country.'' But  
2866 rather than recognizing success, EPA is already working on  
2867 more strict ozone and so-called Tier 3 rules. And we keep  
2868 hearing rumors of new rules for greenhouse gases in the  
2869 refining space. All this could mean billions of dollars,  
2870 billions in compliance costs. These costs will hit families  
2871 hard and be passed on to average drivers across the country

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2872 in places like Sugar Land, Pearland, and Katy, Texas.

2873 So briefly--I say briefly because I am limited time

2874 here--can you tell me when to expect these carbon rules for

2875 refineries, what window of time frame, ma'am?

2876 Ms. {McCarthy.} I don't have a time frame for you.

2877 Mr. {Olson.} No time frame, okay. Will you commit to

2878 study the cumulative cost of all these rules when we consider

2879 the impacts of carbon regulations on refineries?

2880 Ms. {McCarthy.} Well, I will certainly commit to

2881 following whatever protocols we are required to do, sir.

2882 Mr. {Olson.} In the following what I call the Chairman

2883 Emeritus Dingell rule, answering yes-or-no questions, yes or

2884 no, can you guarantee that your rules will not raise gasoline

2885 prices? Yes or no?

2886 Ms. {McCarthy.} I don't know what rules you are

2887 referring to and I would never make guarantees to anything,

2888 sir.

2889 Mr. {Olson.} Okay. All right. A further line of

2890 question, this is about the U.S. energy renaissance. As you

2891 know, Ms. McCarthy, carbon emissions from the United States

2892 have fallen in recent years without these new regulations.

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2893 And there are many factors, but a significant reason is the  
2894 increased use of American natural gas.

2895 Ms. {McCarthy.} Um-hum.

2896 Mr. {Olson.} And again, the Dingell rule, yes or no, do  
2897 you agree that hydraulic fracturing and horizontal drilling  
2898 have created an American energy renaissance that is helping  
2899 to slash carbon emissions? Yes or no?

2900 Ms. {McCarthy.} Yes or no, it is a complicated  
2901 question. I will take it very short. I believe that  
2902 certainly the new technology has advanced our ability to  
2903 capture natural gas domestically. That has been a wonderful  
2904 thing from both air quality as well as domestically, and I  
2905 think that answers your question.

2906 Mr. {Olson.} I will take that leaning yes. Yes or no,  
2907 would carbon emissions be higher today if fracking were  
2908 banned or regulated out of existence? Yes or no? No  
2909 fracking, higher emissions?

2910 Ms. {McCarthy.} I can't make that direct connection,  
2911 sir. You are asking me really complicated questions for yes  
2912 or no.

2913 Mr. {Olson.} Okay. I don't think it is that

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2914 complicated but the answer is pretty clear you think it is  
2915 yes.

2916 And one final question, this is for you, Secretary  
2917 Moniz, as well. My home State, as you know, is in desperate  
2918 need of new reliable power. At a time when we are looking at  
2919 blackouts in 2014 and 2015 without more power generation, the  
2920 EPA is considering carbon rules that can essentially mandate  
2921 partial carbon capture and sequestration. And now I am not  
2922 opposed to CCS. As we discussed earlier in my testimony, you  
2923 came here a couple months ago, my district is actually home  
2924 to one of the only CCS modifications in the country, the W.A.  
2925 Parish plant outside of Needville, Texas.

2926 Secretary {Moniz.} Um-hum.

2927 Mr. {Olson.} Again, another yes-or-no question.

2928 Secretary Moniz and Ms. McCarthy, do you believe that CCS  
2929 technology is currently economic for most coal plants, not  
2930 just the Parish plant in Needville, Texas, which is valuable  
2931 because we have oil and gas right there, right on the  
2932 property. They can get the carbon there quicker.

2933 Secretary {Moniz.} As we said, sir, earlier, I mean the  
2934 combination of the CCS with EOR is very attractive.

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2935           If I may just have one thing, Mr. Chairman. Since this  
2936 issue has come up many times about the two of us being here,  
2937 I just want to say that, first of all, there has been no  
2938 trouble occupying 3 hours with two of us, but secondly, I  
2939 know my colleagues, our colleagues across the Administration  
2940 would be delighted to have a conversation about all of these  
2941 issues.

2942           Mr. {Whitfield.} Thank you very much. The gentleman's  
2943 time is expired.

2944           I will say to you that you are right, it took up a lot  
2945 of time today. We are going to get back in touch with those  
2946 other agencies and either meet with them individually or  
2947 through letter exchange. So we are going to follow up with  
2948 them.

2949           At this time, I would like to recognize the gentleman  
2950 from Illinois, Mr. Kinzinger, for 5 minutes.

2951           Mr. {Kinzinger.} Thank you, Mr. Chairman. And I thank  
2952 you both for being here and for your service to your country  
2953 and for the last few hours have given us.

2954           Secretary Moniz, I have heard you speak in favor of the  
2955 President's Climate Action Plan, and to that extent I

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2956 understand the concerns surrounding the reduction of  
2957 greenhouse gas emissions being expressed. That being said,  
2958 statements from energy experts have said electrical prices  
2959 are projected to have increased over 40 percent since 2001,  
2960 which is well above the rate of inflation, and it will  
2961 continue to rise due to the requirements of EPA clean air and  
2962 environmental standards.

2963 In addition to this, over 60 percent of our Nation's  
2964 clean power generation actually comes from nuclear power,  
2965 which is virtually emissions-free, and I am very concerned  
2966 with the efforts of your agency in regards to the future of  
2967 the nuclear energy sector. I believe that any serious plan  
2968 to reduce greenhouse gas emissions must have a strong nuclear  
2969 component, yet the number of nuclear plants that have  
2970 announced their retirement this year has grown to almost  
2971 epidemic portions and more are expected in the near future.  
2972 Let me just ask you first off, and keep it, you know, as  
2973 brief as possible, what are your goals for the growth of the  
2974 nuclear energy sector overall?

2975 Secretary {Moniz.} Well, first of all, I mean the  
2976 closures obviously have a bunch of factors. In one case

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2977 there was an equipment issue in California.

2978 Mr. {Kinzinger.} Sure.

2979 Secretary {Moniz.} In Vermont it is principally--

2980 Mr. {Kinzinger.} But a lot of it is age. We haven't

2981 built new plants--

2982 Secretary {Moniz.} --natural gas--

2983 Mr. {Kinzinger.} --in 20 years' time.

2984 Secretary {Moniz.} They are older.

2985 Mr. {Kinzinger.} Understood.

2986 Secretary {Moniz.} But the Department of Energy, before

2987 I was there, have for years already been supporting things

2988 like life extension technologies, et cetera. So that is one

2989 direction. Another is we are still working on the

2990 provisional loan guarantee for the Vogtle plants. It is

2991 really important to get some of these new plants built.

2992 Mr. {Kinzinger.} Has the DOE actually closed any of

2993 those loan guarantees?

2994 Secretary {Moniz.} Well--

2995 Mr. {Kinzinger.} No.

2996 Secretary {Moniz.} --on nuclear--

2997 Mr. {Kinzinger.} Why not?

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2998 Secretary {Moniz.} --just the--it is an ongoing  
2999 negotiation and a--

3000 Mr. {Kinzinger.} Because it has been a while, I know,  
3001 so--

3002 Secretary {Moniz.} All I can say is--

3003 Mr. {Kinzinger.} --I hear the discussion about it--

3004 Secretary {Moniz.} All I can say is that I have taken a  
3005 direct interest in this.

3006 Mr. {Kinzinger.} Okay. Because I mean from our  
3007 perspective I hear the Administration use, and in fact I  
3008 heard you a number of times today use the loan guarantees as  
3009 promise for, hey, we support it, but these are all  
3010 conditional. They are not finalized. And when you have a  
3011 number of plants closing because of the age of these plants  
3012 and we are very slow to replace that capacity--and let me ask  
3013 you this. Do you believe that the greenhouse gas targets set  
3014 out by the Administration can be met without the use of  
3015 nuclear power?

3016 Secretary {Moniz.} Clearly, the 17 percent goal for  
3017 2020 is what you are referring to, which we are kind of  
3018 almost halfway there. Clearly, if there are a lot of nuclear

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3019 power plant closures in that time, that will certainly make  
3020 it more difficult.

3021 Mr. {Kinzinger.} And I know this is just we are asking  
3022 you to guesstimate, how many more nuclear plants do you think  
3023 will be put out of commission before those targets would  
3024 become unattainable?

3025 Secretary {Moniz.} On that I do not know but I can tell  
3026 you that I am hoping to have discussions with the industry to  
3027 try to understand better where that is going. I mean nuclear  
3028 power plants that exist still do have, you know, pretty low  
3029 marginal costs, which would make them attractive, but as we  
3030 know, the lower natural gas prices has lowered the clearing  
3031 price in many parts of the country.

3032 Mr. {Kinzinger.} Sure. Absolutely. And again, I want  
3033 to make the point of what we were talking about earlier, that  
3034 there are no loan guarantees in existence right now. They  
3035 are conditional.

3036 And I will just say to finish up--I won't take all my  
3037 time; hold your applause, please--if the Administration was  
3038 serious about addressing climate change, I think it would  
3039 harness the clean energy from nuclear power, as we have been

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3040 talking about. At a minimum it would follow the law. I  
3041 heard a lot of discussion about following the law today. And  
3042 it would reconstitute the Yucca Mountain program and provide  
3043 a solid basis for the NRC to issue new plant licenses.

3044 And so I thank you for your time today. I thank you for  
3045 your testimony. And, Mr. Chairman, I will yield back.

3046 Secretary {Moniz.} Well, we are following the law.

3047 Mr. {Whitfield.} The gentleman yields back.

3048 At this time, you all may have noticed Ms. Schakowsky is  
3049 over here and we have sort of ignored Ms. Schakowsky. And  
3050 she is a member of the Energy and Commerce Committee but she  
3051 is not a member of this subcommittee, so traditionally, we  
3052 finish all the subcommittee members before we go to  
3053 Ms. Schakowsky. And Mr. Griffith, Ms. Schakowsky, has said  
3054 that he has noted you sitting over there patiently, so I  
3055 would like to recognize you for 5 minutes if you would like  
3056 to ask your questions now because he--

3057 Ms. {Schakowsky.} Well, I thank you both, especially  
3058 Mr. Griffith for that courtesy.

3059 I believe that the threat to at least human life on our  
3060 planet is the greatest challenge that humankind has faced.

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3061 And I feel so strongly that this Congress, this Congress, is  
3062 in a moment of such great opportunity where we could take  
3063 leadership on behalf of the United States, on behalf of the  
3064 countries around the world that we could benefit  
3065 economically. This is a moment of great opportunity that I  
3066 fear is a member of the Energy and Commerce Committee that we  
3067 are squandering. And I look at some of the young people in  
3068 this audience; this is their century and I feel an obligation  
3069 that we try and do something about this.

3070 I would like to see if either of you have a comment  
3071 about this issue of coal and this promulgated ruling that is  
3072 about to come out. Some of the charges are that it would  
3073 have basically an insignificant effect on climate change and  
3074 that it actually would jeopardize the economic opportunities  
3075 of people in poor countries and further impoverish them.  
3076 That is a pretty heavy charge. I wonder if you, Madam  
3077 Administrator, could give us some answer to that--

3078 Ms. {McCarthy.} I would be happy to begin.

3079 Ms. {Schakowsky.} --and Secretary Moniz.

3080 Ms. {McCarthy.} What I would say is that the reason why  
3081 the power plant sector is one of the first places to go to

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3082 regulate carbon pollution is because it is by far the largest  
3083 industry sector in terms of its generation of greenhouse  
3084 gases. The second reason is that there are opportunities to  
3085 reduce greenhouse gases, and that will position us in the  
3086 energy future. And I think there is every reason why we  
3087 should want to tee up ideas and options for how to do that  
3088 effectively, taking advantage of modern technologies that we  
3089 can take advantage of and escalate their introduction both in  
3090 the U.S. as well as internationally. That is what is going  
3091 to make significant differences, not just what we are doing  
3092 here, but its impact in moving cleaner technologies forward.

3093         The issue of the international discussion I think that  
3094 you will see that the language in the President's Climate  
3095 Action Plan is very detailed on this issue. It in no way  
3096 steps back from both the intent of the United States and our  
3097 obligation to work with the developing countries to ensure  
3098 that they mature and provide energy for their citizens. And  
3099 the language in here is not inconsistent with that goal. It  
3100 will not minimize our efforts towards that goal. What it  
3101 does say, however, is that we need to be careful about how we  
3102 are investing and we don't want developing countries to make

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3103 mistakes that we might have made in not positioning  
3104 themselves for the best technologies available in a carbon-  
3105 constrained world.

3106 Secretary {Moniz.} I would just add that the Climate  
3107 Action Plan, as far as the things like the Ex-Im Bank, does  
3108 have an exclusion for the least-developed countries.

3109 Ms. {Schakowsky.} I see. Let me just say how much I  
3110 appreciate your being here and the fact of having the EPA  
3111 Administrator and the Secretary of Energy at a single  
3112 hearing, I am sure we will have and I hope you will have an  
3113 opportunity to hear others, but, you know, that is not an  
3114 everyday occurrence and I want to thank you for that.

3115 I also want to associate myself with Mr. Waxman's plea  
3116 that has been made more than once that we have scientists  
3117 come in and talk to us. And we can, you know, have the kind  
3118 of forum where the science could be challenged, could be  
3119 questioned where if there is differing opinions, but I am  
3120 wondering in the seconds I have is there really a significant  
3121 difference of opinion about the science of climate change?

3122 Secretary {Moniz.} Well, again, I would argue that at  
3123 the level of the broad impacts in my view there is none. I

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3124 think there is again very, very simple arguments as to why  
3125 this is expected.

3126 I also observed that the pattern of effects was  
3127 predicted decades ago. This is not somehow being made up.  
3128 Clearly, there are specific--when you start drilling down to  
3129 specific issues, it is very complicated science. So earlier,  
3130 we had a discussion about the last several years have seen a  
3131 slowdown of warming. And as I pointed out, this is not out  
3132 of the expectations on decadal scales, but that is a case  
3133 where the scientists are still having some argument over the  
3134 specific driver.

3135 Recent papers, as one example, have links essentially  
3136 the El Niño/La Niña issues to that, but that is an example of  
3137 something that still remains to be worked out. It does not  
3138 obviate the overwhelming conclusion and the overwhelming  
3139 support for what is going on in terms of global warming.

3140 Mr. {Whitfield.} The gentlelady's time is expired.

3141 At this time I recognize the gentleman from Virginia,  
3142 Mr. Griffith, for 5 minutes.

3143 Mr. {Griffith.} Thank you very much, Mr. Chairman.

3144 I did appreciate the comments about using as we move

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3145 forward so that we don't impoverish the other nations and  
3146 impoverish our own nation that we use modern technologies as  
3147 we move forward. The problem that I think we have and I  
3148 would say that the countering plan is is that we ought to  
3149 make sure those technologies are available first before we  
3150 put regulations in place that then cause us to lose an entire  
3151 segment of our population's jobs and our energy production,  
3152 et cetera. And that has been my concern all along.

3153         And coming from a coal-producing region, I can tell you  
3154 that the policies already, not even counting the ones that  
3155 are going to come out later this week or ones that may come  
3156 out in the next few months, are devastating the economy of my  
3157 district. And it is quite moving when you see these people.  
3158 These are hardworking men and women who are out there trying  
3159 to do jobs. It is not just the coalminers. It is the jobs  
3160 that are relied upon, the coalmines, and, you know, every  
3161 time I turn around there is another manufacturing company  
3162 that was relying on the coal industry that is going out of  
3163 business or needed affordable electricity that is going out  
3164 of business. There is another coalmine about every other  
3165 week and I am losing a coalmine in my district. That is

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3166 people who are making about \$75,000 a year that aren't making  
3167 it now.

3168           And probably the biggest blow that any of my communities  
3169 has received, and while in fairness the two first factors  
3170 they listed were the double-edged scissors of ObamaCare, they  
3171 also listed the fact that the economy is so poor in the area,  
3172 and it is a coal-producing part of my district. And we just  
3173 lost a hospital in my district. And so now some of my  
3174 constituents are going to have to drive an hour, hour-and-a-  
3175 half to get to cardiac care and hospital. This is not a good  
3176 thing.

3177           And when we look at the cost-benefit analysis, we don't  
3178 always look at the fact that if people don't have the ability  
3179 to afford the electricity in their homes that they then have  
3180 to cut back on things and they have to cut back on some  
3181 important things. If you can't heat your home effectively in  
3182 the wintertime--and in the mountains of Virginia, sometimes  
3183 it gets pretty cold--that can affect your health. If you are  
3184 having a problem with your heart and all of a sudden instead  
3185 of being able to go to the local hospital because of policies  
3186 enacted here in Washington, you have to drive an hour, hour-

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3187 and-a-half to get to heart care, that is going to have an  
3188 impact on your health. There is just no way around that.

3189           And I think that we need to look at these things, and  
3190 when we say that, oh, this is all going to be grand and all  
3191 going to be great, I think we have to get the science and the  
3192 breakthroughs and the technological breakthroughs out there  
3193 first before we say we are going to shut down a lot of coal-  
3194 powered plants because the technology is not out there for  
3195 everything that needs to be done in order to make them 100  
3196 percent.

3197           And when you look at poverty, and I noticed that the  
3198 gentleman earlier referenced a German article, ``How  
3199 Electricity Became a Luxury Good,' ' I don't think that the  
3200 people of the United States of America consider electricity  
3201 to be a luxury good, and I don't think we want to be at the  
3202 point where they have a minister, in this case you, Ms.  
3203 McCarthy, in equal the German environment Minister Peter  
3204 Altmaier giving out tips on how you don't preheat your oven  
3205 to do cooking and maybe if you lower the contrast and the  
3206 brightness on your television, you can bring down your  
3207 electric bill because the Germans have put themselves in a

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3208 position where people can't afford it. I don't want that for  
3209 my country but it is hitting my district hard right now. And  
3210 so I hope that you would take that into consideration.

3211 And along with those things, I know that the President  
3212 outlined the goal of 17 percent reduction in 2005 greenhouse  
3213 gas levels by 2020, and he mentioned that also at a climate  
3214 speech in June at Georgetown University, and I heard Mr.  
3215 Secretary say earlier that we are about halfway there. I  
3216 guess my question is is that from programs from the EPA or is  
3217 that from plant shutdowns? And how much of the programs that  
3218 the EPA has enacted brought down those greenhouse gases in  
3219 the last 5 years? Can you quantify how much the programs  
3220 have brought down?

3221 Ms. {McCarthy.} Let me just put the goal in a little  
3222 bit of perspective. I think that that goal clearly was  
3223 stated in the Climate Action Plan but in no way does that  
3224 Climate Action Plan say that those actions are going to add  
3225 up to that 17 percent. It is a start at looking at the most  
3226 economically viable opportunities--

3227 Mr. {Griffith.} And you know that the 17 percent--

3228 Ms. {McCarthy.} --to grow the economy and address

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3229 greenhouse gas--

3230 Mr. {Griffith.} And I apologize, my time is running  
3231 out. The 17 percent, was that just a number that was picked  
3232 out of the air or was there some scientific basis for it and  
3233 can you give me that basis?

3234 Ms. {McCarthy.} I believe that it was an international  
3235 goal that was stated.

3236 Mr. {Griffith.} All right.

3237 Ms. {McCarthy.} There was certainly some analytics but  
3238 it was not directly associated with that plan, but it remains  
3239 a goal that we would like to achieve.

3240 Mr. {Griffith.} I mean I understand we know we are  
3241 going to try to reduce greenhouse gases, but do we know  
3242 specifically how much each program will give us? And that  
3243 being said, if you could get that to me later because my time  
3244 is just about out.

3245 Ms. McCarthy, I truly believe when you are here to  
3246 testify, and I have told people in my district that I think  
3247 you do care about the plight of folks--

3248 Ms. {McCarthy.} I do.

3249 Mr. {Griffith.} --and so I would ask you to commit

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3250 whether it is my district or one of the other districts in  
3251 central Appalachia that has been hit so hard, if we set up a  
3252 trip, would you come down and see what is happening in the  
3253 district of the people and where the jobs are just  
3254 disappearing and there is lots of towns with empty  
3255 storefronts and--

3256 Ms. {McCarthy.} Congressman, I will follow up--

3257 Mr. {Griffith.} --it looks like a ghost town?

3258 Ms. {McCarthy.} I will follow up directly with you on  
3259 that.

3260 Mr. {Griffith.} All right. I appreciate that very  
3261 much.

3262 And, Mr. Chairman, with that I yield back.

3263 Secretary {Moniz.} If I could just say that about half  
3264 of the reductions so far have been from the shale gas  
3265 revolution, purely market-driven, and another part of it has  
3266 been, especially in the transportation sector, the efficiency  
3267 standards holding demand down.

3268 Mr. {Whitfield.} The gentleman's time is--

3269 Mr. {Waxman.} Which were based on regulations, isn't  
3270 that correct?

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3271 Secretary {Moniz.} Correct.

3272 Mr. {Whitfield.} At this time I would like to recognize  
3273 the gentleman from New York, Mr. Engel, for 5 minutes.

3274 Mr. {Engel.} Thank you, Mr. Chairman.

3275 Let me say that I am applauding our committee for  
3276 finally having a hearing on climate change. I want to say  
3277 that it is obvious to me and to everyone else the science is  
3278 undeniable and it is time for us to act. And Congress has  
3279 been ducking this issue even going so far as to deny the  
3280 basic science behind climate change. I have seen the  
3281 devastating affects right in my area when Hurricane Sandy hit  
3282 New York, New Jersey, and Connecticut, and my district  
3283 suffered huge devastation. Rising seas, stronger storms, and  
3284 greater flooding will only increase if we choose to do  
3285 nothing.

3286 So if Congress unwilling to act on the issue, I am very  
3287 happy the President has decided to act. And though some may  
3288 deny the existence of climate change, the science is clear.  
3289 If people object to the specifics of the President's plan,  
3290 then they should propose their own plan for curbing carbon  
3291 pollution and climate change and the committee should

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3292 actively pursue this matter.

3293           We also know from experience that government can  
3294 regulate pollution without hurting the economy. In fact,  
3295 many of the ideas that will help reduce carbon pollution will  
3296 also grow new industries in renewables, carbon capture  
3297 technology, and other new technologies that will help  
3298 mitigate climate change.

3299           So, Secretary Moniz, let me ask you, you mentioned in  
3300 your testimony the devastation that Sandy wrought upon New  
3301 York, New Jersey, and Connecticut. One of the major issues  
3302 arising from that was the loss of power and the length of  
3303 time that it took to return. Can you speak to what the  
3304 Department of Energy is doing in regard to electricity  
3305 reliability and how that works with the President's Climate  
3306 Change Plans?

3307           Secretary {Moniz.} Yes, thank you. I will mention two  
3308 areas. One is in the context of our general work on kind of  
3309 the electric grid of the 21st century we are folding in very  
3310 heavily resilience issues, as well as the kind of renewables  
3311 and other drivers of that technology. And I mentioned  
3312 earlier that one specific project we just had announced in

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3313 New Jersey looking at a micro-grid to support a major  
3314 transportation corridor, which by the way would also be an  
3315 important evacuation route for New Yorkers.

3316           The second thing, which is very important, and we are  
3317 working closely with industry with API, the American  
3318 Petroleum Institute, and the EEI. What we learned in Sandy a  
3319 little bit the hard way was how the electricity  
3320 infrastructure and the transportation fuels infrastructures  
3321 are so interdependent. So we are working on that and being  
3322 positioned for any future event.

3323           Mr. {Engel.} So implementation of these plans is  
3324 ongoing? We can expect that soon?

3325           Secretary {Moniz.} Yes, it is. We hope to have a  
3326 product that we will put out at the end of the month, for  
3327 example.

3328           Mr. {Engel.} Thank you. I have been a long supporter  
3329 of alternative fuels for transportations. Besides electric  
3330 vehicles that you mentioned, what are other alternative fuels  
3331 is the Department of Energy working on?

3332           Secretary {Moniz.} Well, we certainly support--and  
3333 particularly for heavy vehicles--looking at the issue of

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3334 natural gas as a transportation fuel. We of course have a  
3335 very extensive program on advanced biofuels moving to  
3336 cellulosic biofuels, for example. And these are again a case  
3337 where costs are coming down quite dramatically, not quite  
3338 there yet but coming down dramatically.

3339 And of course electrification again costs have dropped  
3340 dramatically, not yet for the long-range vehicle for the mass  
3341 market but the penetration is happening much faster than it  
3342 did at the comparable stage for hybrid vehicles, looking  
3343 very, very interesting.

3344 And then more to the future, the hydrogen economy and  
3345 fuel cells, that remains kind of a little bit earlier in the  
3346 development. But I would say alternative liquid fuels and  
3347 electricity are looking actually quite interesting.

3348 Mr. {Engel.} Thank you. I know you both have been here  
3349 a long time so, Administrator McCarthy, I am going to submit  
3350 a couple of questions for you and spare you from having to  
3351 answer it. But I thank both of you--

3352 Ms. {McCarthy.} Thanks.

3353 Mr. {Engel.} --for your hard work--

3354 Mr. {Waxman.} Would the gentleman--

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3355 Mr. {Engel.} --and--

3356 Mr. {Waxman.} The gentleman from New York, if--

3357 Mr. {Engel.} Yes?

3358 Mr. {Waxman.} --you have completed your questions, I

3359 would like to just make a--

3360 Mr. {Engel.} Certainly.

3361 Mr. {Waxman.} --yield to me the time?

3362 Mr. {Engel.} Yes, sir.

3363 Mr. {Waxman.} I just want to make a comment on the

3364 hearing, which I think has been an excellent hearing.

3365 We are at a critical crossroads in this country in our  
3366 energy policy, and if we decide to do nothing, which I sense  
3367 is what the Republicans want is to do nothing, it is going to  
3368 lead to more carbon pollution, more droughts and floods, and  
3369 other extreme weather events, more billion-dollar disasters  
3370 and relief bills to pay for them by the taxpayers. If we  
3371 take that path, history will not treat us kindly. We will be  
3372 the generation that ignored the warnings of scientists and  
3373 left future generations a violent and inhospitable climate.

3374 On the other hand, there is another path. We have a  
3375 shrinking window for action but we still have a window to

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3376 act. And Secretary Moniz told us that this is the critical,  
3377 crucial time this decade. If we act now, if we invest in  
3378 solar, wind, and other clean energy sources, if we unleash  
3379 American ingenuity, we can stop carbon pollution and protect  
3380 our atmosphere and create millions of new clean energy jobs.

3381 I want to thank the two witnesses who have been very,  
3382 very helpful and terrific in being here all this time. I  
3383 hope we will all put aside our partisan differences to help  
3384 achieve these goals. They are very important ones for the  
3385 future of our country and the rest of the world.

3386 Thank you, Mr. Chairman. Thank you, Mr. Engel.

3387 Mr. {Whitfield.} Thank you, Mr. Waxman.

3388 And I would also say how much we appreciate the two of  
3389 you being here today. We do think it is a major  
3390 accomplishment that our CO2 emissions are lower than they  
3391 have been in 20 years. And as we move forward, I think we  
3392 all want a balanced approach. We want to protect the  
3393 environment but we also want to make sure that we have a  
3394 strong, viable economy and that we don't want to be left in a  
3395 noncompetitive position in the world marketplace.

3396 And I hope that you all look as forward to being with us

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3397 in the future as we look forward to being with you again  
3398 here. We spent 3 or 4 marvelous hours together. And that  
3399 will--

3400 Ms. {McCarthy.} We will be back, Mr. Chairman.

3401 Mr. {Whitfield.} --conclude today's hearing, but I  
3402 would remind Members that they have 10 business days to  
3403 submit questions for the record, and I ask that the witnesses  
3404 all agree to respond promptly to the questions that we submit  
3405 to you all.

3406 So thank you again and we look forward to working with  
3407 you as we move forward.

3408 Secretary {Moniz.} Chairman, thank you for holding this  
3409 hearing.

3410 Mr. {Whitfield.} Thank you.

3411 Secretary {Moniz.} We appreciate it very much.

3412 Mr. {Whitfield.} Thank you. That concludes today's  
3413 hearing.

3414 [Whereupon, at 1:22 p.m., the Subcommittee was  
3415 adjourned.]