Opening Statement of Regina McCarthy Administrator U.S. Environmental Protection Agency

Hearing on the Obama Administration's Climate Change Policies and Activities Subcommittee on Energy and Power Committee on Energy and Commerce U.S. House of Representatives September 18, 2013

Chairman Whitfield, Ranking Member Rush, members of the Committee: Thank you for the opportunity to testify today.

In June, the President reaffirmed his commitment to reducing carbon pollution when he directed many federal agencies, including the Environmental Protection Agency, to take meaningful steps to mitigate the current and future damage caused by carbon dioxide emissions and to prepare for the anticipated climate changes that have already been set in motion.

Climate change is one of the greatest challenges of our time. Based on the evidence, more than 97% of climate scientists are convinced that human caused climate change is occurring. If our changing climate goes unchecked, it will have devastating impacts on the United States and the planet. Reducing carbon pollution is critically important to the protection of Americans' health and the environment upon which our economy depends.

Responding to climate change is an urgent public health, safety, national security, and environmental imperative that presents an economic challenge and an economic opportunity. As the President has stated, both the economy and the environment must provide for current and future generations and we can and must embrace cutting carbon pollution as a spark for business innovation, job creation, clean energy and broad economic growth. The United States' success over the past 40 years makes clear that environmental protection and economic growth go hand in hand.

The President's Climate Action Plan directs federal agencies to address climate change using existing executive authorities. The Plan has three key pillars: cutting carbon pollution in America; preparing the country for the impacts of climate change; and leading international efforts to combat global climate change.

Cutting Carbon Pollution

EPA plays a critical role in implementing the Plan's first pillar, cutting carbon pollution. Over the past four years, EPA has begun to address this task under the Clean Air Act.

Our first steps addressed motor vehicles, which emit nearly a

third of U.S. carbon pollution. EPA and the National Highway Traffic Safety Administration, along with the auto industry and other stakeholders, worked together to set greenhouse gas and fuel economy standards for Model Year 2012 to 2025 light-duty vehicles. Over the life of these vehicles, the standards will save an estimated \$1.7 trillion for consumers and businesses and cut America's oil consumption by 12 billion barrels, while reducing greenhouse gas emissions by 6 billion metric tons.

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

Building on this success, the President asked EPA to work with states, utilities and other key stakeholders to develop plans to reduce carbon pollution from future and existing power plants, which are responsible for about 40 percent of America's carbon pollution.

EPA will soon issue new proposed carbon pollution standards for future power plants, reflecting new information and the extensive public comments on our 2012 proposal. For existing plants, we are engaged in outreach to a broad group of stakeholders with expertise who can inform the development of proposed standards, regulations, or guidelines, which we expect to issue in June of 2014. These

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guidelines will provide guidance to States, which have the primary role in developing and implementing plans to address carbon pollution from existing plants. This framework will allow us to capitalize on state leadership and innovation while also accounting for regional diversity and providing the necessary flexibility.

The Plan also calls for the development of a comprehensive, interagency strategy to address emissions of methane – a powerful greenhouse gas that also contributes to ozone pollution, but which has substantial economic value. EPA will work with other agencies to assess emissions data, address data gaps, and identify opportunities to reduce methane emissions through incentive-based programs and existing authorities.

Preparing for Impacts of Climate Change

Even as we work to avoid dangerous climate change, we must strengthen America's resilience to climate impacts we're already experiencing and those that can no longer be avoided. The President's Plan calls for a broad array of actions on this front. EPA will incorporate research on climate impacts into the implementation of our existing programs, and develop information and tools to help decision-makers – including State, local and tribal governments – to better understand and address these impacts. Further, EPA is working closely with our federal agency counterparts on several other aspects of building our national resilience, including developing the National Drought Resilience Partnership, ensuring the security of our freshwater supplies, protecting our water utilities, and protecting and restoring our forests in the fact of a changing climate.

International Efforts

Our changing climate is also a global challenge, and the President's Plan recognizes that the United States must couple action at home with leadership abroad. Working closely with the State Department, EPA will continue to engage our international partners in reducing carbon pollution through an array of activities. These include public-private partnership efforts to address emissions of methane and other short-lived climate pollutants under the Climate and Clean Air Coalition and the Global Methane Initiative, as well as bilateral cooperation with major economies.

Conclusion

The President's Plan provides a roadmap for federal action to meet the pressing challenge of a changing climate– promoting clean energy solutions that capitalize on American innovation and drive economic growth. EPA looks forward to working with other federal agencies and all stakeholders on these critical efforts.

Thank you again for the opportunity to testify, and I look forward to answering your questions.