Opening Statement of John Shimkus Subcommittee on Environment and Climate Change "Building America's Clean Future: Pathways to Decarbonize the Economy" July 24, 2019

As Prepared for Delivery

This hearing kicks off the Subcommittee's review of policies that would aim to substantially reduce greenhouse gas emissions across the United States economy.

The goals of what is called "deep" decarbonization are bold and would sweep across every aspect of our society. The most aggressive of them call for regulatory schemes to achieve net-zero emissions by 2050 and would change how we generate electrical power, fuel our vehicles, grow our food, and make the steel and cement and the other ingredients of modern infrastructure, cities, and industry.

As we examine decarbonization policies, I hope we can keep appropriate perspective.

For example, we should be clear that some of these goals are not possible to achieve with current technology—or through renewable energy alone. Some are too expensive to implement in any way that would preserve affordable energy and the goods and services we rely upon in our daily lives.

We have to take a hard look at the full costs of domestic policies that would transform our electric infrastructure, our energy systems, our mobility. Hearings like this can help start to shine a light on this.

We also should recognize that we are talking about a global issue. As noted in previous hearings, there has been unrelenting growth in global carbon emissions—even as the U.S. emissions <u>have declined</u>.

While projections show global emissions growth may level off, they will not decline very much as nations continue to seek the tremendous benefits of energy, power, and transportation in their societies and as they continue to acquire the steel, cement, and other infrastructure needed for building and expanding. This is particularly true for China, India and the rest of the developing world.

Affordable energy and industrial output are key ingredients for these growing economies. The plain fact is: the world, according to <u>projections by the</u>

International Energy Agency, will continue to rely primarily on fossil forms of energy for the foreseeable future. And the developing world will continue to dominate global emissions in the years to come.

The policies we consider in the United States should be considered against this global energy and economic reality.

We should not put the United States at a competitive disadvantage to other nations or deprive our nation important opportunities to innovate and develop the new fossil or nuclear technologies or industrial technologies that promise cleaner future energy systems.

Focusing on global energy and economic realities will help us focus on where the real gains can be achieved in reducing future emissions and maintaining the prosperity necessary for addressing future climate risks.

Let me suggest that these gains will come less from radically and expensively transforming a mature, 20-trillion-dollar U.S. economy than from providing the modern, clean and low emissions technologies to nations still putting their modern economies in place.

In recent months we have been building a record that underscores the critical need for technological breakthroughs to develop cleaner energy and economic systems. This morning we will hear from witnesses who can speak to what is necessary to move these technological breakthroughs forward.

I am particularly looking forward to hearing from Shannon Angielski of the Carbon Utilization Council, or CURC. She will speak to the contribution of fossil fuel technologies to decarbonization objectives. And she can outline how bipartisan work of Congress has helped create new markets and what more is needed to ensure these policies are effective.

The bottom line is, there are practical policies we can pursue in a bi-partisan fashion that will help incentivize the development of innovative technologies for coal and natural gas, as well as nuclear energy and that will strengthen American leadership in these critical sectors.

We should avoid complex regulatory and command and control schemes that the Majority seeks to impose. These would foreclose the potential for innovations that will enable full use of our nation's tremendous energy and economic resources.

Our goal should be to perfect the bi-partisan polices that allow innovation and private sector to provide the new technologies that will provide the paths to lower emissions, especially where this is needed most.