Opening Statement of John Shimkus Subcommittee on Environment and Climate Change "Building a 100 Percent Clean Economy: Solutions for Economy-Wide Deep Decarbonization" December 5, 2019

As Prepared for Delivery

When the Majority initiated this series of hearings in July, it made clear that its legislative goals would be bold and sweeping—and would touch pretty much every part of people's lives.

Transforming the American economy to produce net-zero carbon dioxide emissions in thirty years, as the Majority has proposed, requires forcing dramatic change on a scale that is hard for most people to comprehend. And the hearing record developed so far has just touched the surface of what any zero-emissions transformation in the United States would truly entail.

Over the course of the past five months, we've heard testimony on the industrial sector, the transportation sector, the power sector and discussed the practical, technological, and economic barriers to eliminating most of the emissions in those sectors.

Today's hearing rounds out the series with a look at "economy-wide deep decarbonization" measures— basically the regulatory approaches that the Majority believes are necessary to cap and to tax and to otherwise restrict carbon dioxide emissions across the U.S. economy. From the various proposals circulating in Congress, it appears that many proponents of deep decarbonization— regardless of the state of technology—aim to increase the cost of generating and transmitting electrical power, fueling vehicles, growing food, and making the products of modern infrastructure, manufacturing, and industry.

What is not often discussed is whether this drive to change our domestic energy and economic system is really the most appropriate and effective approach as a matter of U.S. policy to address climate risks.

From the beginning of this Congress, I have urged that we step back and keep our sights on the problems we are trying to solve. It is useful to revisit some core lessons of this year's climate hearings.

First, domestic decarbonization goals are not possible to achieve with current technology, regardless of the proposed regulatory programs. If we do not have the technology, <u>no new regulation, standard, or international agreement</u> is going to preserve affordable energy and the goods and services people rely upon in their daily lives. Raise the costs on this energy or goods and services and you lose public support. That will be true in the United States, and any other place in the world.

Second, the carbon dioxide emissions problem is a <u>global issue</u> and domestic policies must be considered against this persistent fact.

Recent data from the <u>U.S. Energy Information Administration</u> show some leveling of *growth* in global carbon dioxide emissions, but emissions will continue to rise as

nations continue to seek the benefits of energy, power, transportation, and industrial development in their societies. This is particularly true for China, India and the rest of the developing world.

Third, climate policy exists under a broader umbrella of U.S. national interests relating to national and economic security.

You only need to review the latest natural gas arrangements relating to <u>China and</u> <u>Russia</u> or observe the tremendous benefits our shale revolution has brought to the security of our Eastern European allies to see that energy diplomacy is vital to our strategic interests and cannot be subordinated to anti-oil sentiments. And the same applies to our development and deployment of nuclear technology, which we'll talk about today.

As I've noted in previous hearings, 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. These gains will not come from radically and expensively transforming a mature, 20-trillion-dollar U.S. economy but from providing the modern, clean and low emissions technologies to nations still putting their modern economies in place.

With this in mind, we should widen our focus and look at domestic climate policies through the lens of broader U.S. national security interests. For this reason, I would like to welcome our witness form the University of Georgia, David Gattie. His testimony, which focuses on the national security and climate benefits of nuclear technology, helps to reframe how we should think about our domestic climate policies.

Reorienting our climate policy into a policy of U.S. innovation leadership, much like the nation pursued with its initial Atoms for Peace program or even our recent work to support our European allies with energy exports represents a sound, positive approach to these global issues. The more we focus on this, and the innovation to make it happen, the better.

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