

Senate Committee Hears from Administration Officials on Climate Change
report courtesy of Lewis-Burke Associates

On July 7, 2009, the Senate Committee on Environment and Public Works (EPW) held a hearing entitled, "Moving America toward a Clean Energy Economy and Reducing Global Warming Pollution: Legislative Tools." Senators heard from members of the Obama Administration, industry, and state and local government about the elements that should be included in any comprehensive climate and energy legislation produced by the Committee. Chaired by EPW Chairwoman Barbara Boxer (D-CA), the hearing dealt largely with the climate and energy legislation sponsored by Reps. Henry Waxman (D-CA) and Edward Markey (D-MA) (H.R. 2454) that passed the House of Representatives on June 26. Many believe that the Waxman-Markey legislation will serve as the template for the bill that Chairwoman Boxer is expected to introduce in the Committee later this month.

The Committee heard from two panels of witnesses at the hearing. The first consisted of Secretary of Energy Steven Chu, Environmental Protection Agency (EPA) Administrator Lisa Jackson, Secretary of Agriculture Tom Vilsack, and Secretary of the Interior Ken Salazar. Following testimony from the four Administration officials the Committee heard from a second panel that included: Rich Wells, Vice President for Energy at Dow Chemical Company; David Hawkins, Director of the Climate Center at the Natural Resources Defense Council; John Fetterman, Mayor of Braddock, Pennsylvania; and Mississippi Governor Haley Barbour.

Opening the hearing, Chairwoman Boxer described preventing climate change and increasing American energy independence as the defining challenge of the time. The Chairwoman praised the Waxman-Markey legislation while criticizing Committee Republicans for their doubts about climate change and their concerns about the potential for cap and trade legislation to further hamper the economy. Stating a theme that would be echoed by Democrats throughout the hearing, the Chairwoman described the millions of clean energy jobs that she believes would result from the passage of a comprehensive climate and energy package. Finally, Chairwoman Boxer outlined her intention to hold a series of hearings on the topic before marking up her version of a climate bill. Although she did not announce a specific timeline for producing a bill, EPW Ranking Member Jim Inhofe (R-OK) stated during the hearing that he has been told that the Chairwoman will attempt to markup a bill before Congress leaves for its annual August recess.

The contents of EPW legislation remain unclear, as Chairwoman Boxer is collaborating with other committees holding jurisdiction over elements of a comprehensive climate and energy package. For example, Senate Energy and Natural Resources Committee Chairman Jeff Bingaman (D-NM) has recently passed a bill from which many of the energy components of the package will be drawn. Other panels with jurisdiction over the matter include the Finance Committee and the Committee on Foreign Relations.

One prominent feature of the hearing was the distinctly softer tone that Chairwoman Boxer used when responding to her Republican colleagues. The often-combative Chairwoman repeatedly thanked Republicans for their comments on issues including nuclear energy and energy independence, and sought areas in which the two parties could find common ground. There has been speculation that the political difficulty of the climate issue will force Chairwoman Boxer to make concessions to Republicans in the hope of enlisting their support for her forthcoming legislation, and today's hearing appeared to be the first example of her new approach.

During his opening statement Ranking Member Inhofe pressed Chairwoman Boxer to introduce her bill so that future hearings can examine a defined piece of legislation. EPW's numerous climate-focused hearings to date have considered the general issues of climate change and clean energy rather than specific pieces of legislation. A prominent skeptic regarding the science behind climate change, Ranking Member Inhofe outlined the Republican position advocating for an "all of the above" strategy to expand the use of renewable energy and stated his opposition to a cap and trade system to reduce carbon emissions.

Raising an issue that would be a theme for Republicans throughout the hearing, Senator Lamar Alexander (R-TN) discussed the opportunities presented by nuclear power. According to Senator Alexander, expanding nuclear power offers the best chance to quickly promote energy independence and reduce carbon emissions while avoiding policies that could increase energy prices for consumers. As he has done numerous times in the past, Senator Alexander called for the building of 100 new nuclear power plants over the next two decades.

Opening statements from the remaining Committee members were divided along party lines, with Democrats highlighting the need to mitigate the effects of climate change and create clean energy jobs and Republicans expressing skepticism about climate change and decrying the increased energy prices that would likely result from the enactment of legislation that limits carbon emissions.

Prepared testimony from Secretaries Chu, Vilsack, and Salazar and Administrator Jackson touched on a number of common themes, including the need to act quickly to prevent future harmful effects from climate change; the opportunity for America to be a world leader in the development of clean energy technologies; the ability to create millions of jobs in clean energy industries; and the mechanisms contained in the Waxman-Markey bill to ensure that consumers will not see drastic increases in electricity prices as a result of the legislation. Most of the remarks from Chu, Jackson, Vilsack, and Salazar were reiterations of the Administration's previously outlined policy positions. However, particularly interesting were Secretary Chu's extensive discussion of the need to reinvigorate the country's nuclear energy industry as part of any effort to reduce carbon emissions and promote energy independence, and Secretary Vilsack's comments regarding the role of carbon offset markets in protecting the energy-intensive agriculture industry from significant competitive disadvantage as a result of emissions limits.

The question and answer segment of the hearing was abbreviated due to time constraints. Most Republican questions were directed towards Secretary Chu and focused on ways in which policymakers can stimulate growth in the nuclear energy industry. Secretary Chu, a strong supporter of nuclear energy, repeatedly cited his Department's issuing of \$18.5 billion in loan guarantees for the building of new nuclear power plants and plans to establish a Blue Ribbon Commission to study the storage of nuclear waste as actions the Administration is taking to more fully utilize the potential of nuclear power. A number of Democrats, including Sen. Tom Carper (D-DE), also expressed the need to include provisions to expand the nuclear power industry in a Senate climate and energy bill. Moreover, nuclear power appears to be an area ripe for bipartisan agreement. While some Democrats remain fearful of the environmental risks posed by nuclear waste, expanding the role of nuclear power in the nation's energy portfolio could be a powerful carrot for Chairwoman Boxer when recruiting Republican support for a climate and energy bill.

Chairwoman Boxer is expected to hold additional hearings on climate and energy issues in the coming weeks leading up to the release of her legislation prior to the August recess.