

Statement of Senator John Kerry (D-MA)
Chairman of the Foreign Relations Committee
Co-author of the Kerry-Boxer *Clean Energy Jobs and American Power Act*
Legislative Hearing on S. 1733, Clean Energy Jobs and American Power Act
(Statement as prepared for delivery)

Thank you, Chairman Boxer and Senator Inhofe, for the opportunity to discuss a set of issues as important as any we face. Chairman Boxer has been a passionate, determined, and inspirational leader on environmental issues for as long as I've known her—and an invaluable and gracious collaborator on this bill.

Today, we have an opportunity to lead the world in rolling back the urgent threat of climate change. We can protect the air our children breathe and the water they drink. We can improve every sector of our energy economy, from coal and nuclear to wind and solar; take crucial strides toward energy independence; and create millions of new jobs and entire new industries that will stay in America.

But we can't and we won't do those things if we don't pass aggressive, forward-looking climate and energy legislation. And let me tell you why.

First, the science is more definitive than ever and more troubling than ever, and – 21 years since first Senate hearings on climate change back in 1988—the evidence is now clearer than ever before that a voluntary approach won't get the job done.

NASA scientists – the best experts we have – tell us that the last ten years have been the hottest decade on record. Our oceans have become 30% more acidic. Pine beetles have destroyed 6.5 million acres of forest land in the western states. 180 Alaskan villages are losing permafrost—literally melting the ground beneath their homes and their feet. Southwestern states are projected to experience permanent drought conditions by mid-century, and the area burned by western wildfires is projected to nearly triple. And worst of all, scientists say these changes may well be irreversible for 1,000 years.

That's why the countries of the world—including India, China and the United States—have agreed to limit the global rise in temperature to two degrees Celsius.

Second, there is a workable mechanism to get this done. For America to do our part and convince others to do theirs, we need to set a mandatory target to reduce the carbon pollution that causes climate change—and then we need to drive private investment to meet those goals as affordably and efficiently as possible.

The pollution reduction measures in this bill are tightly focused for maximum impact: Only companies emitting 25,000 tons of carbon each year are covered. These are big polluters—with an output equivalent to 2,300 homes, 4,600 automobiles, or 130 railway cars full of coal. Even as it exempts office buildings, apartments, homes, malls and stadiums, farmers, small firms, and over 98 percent of America's businesses, the bill still covers three-quarters of America's carbon pollution. So this is a smart way to start the ball rolling and transition America to clean energy.

Third, climate change and our dependence on foreign oil are a threat to our national security. There's nothing conservative about remaining indebted to hostile regimes for our energy. Doubters often talk about the costs of taking action. Let me tell you, the costs of inaction are larger, and frankly they become more staggering by the day.

Eleven former Admirals and high-ranking generals issued a seminal report warning that climate change is a "threat multiplier" with "the potential to create sustained natural and humanitarian disasters on a scale far beyond those we see today." Why? Because climate change injects a major new source of chaos, tension, and human insecurity into an already volatile world. It threatens to bring more famine and drought, worse pandemics, more natural disasters, more resource scarcity, and human displacement on a staggering scale. We risk fanning the flames of failed-statism, and offering glaring opportunities to the worst actors in our international system. In an interconnected world, that endangers all of us. Senator Warner, a friend to many here, will speak eloquently to the national security case for preventing catastrophic climate change. General Anthony Zinni, former commander of our forces in the Middle East, warned that without action—and I quote—"we will pay the price later in military terms. And that will involve human lives. There will be a human toll."

Fourth, America's leadership is also on the line. While the Senate stands still, the world is racing ahead: Japan, Mexico, Brazil, South Korea, the EU, and Australia have committed to significant emissions cuts. Last month, Chinese President Hu Jintao pledged to reduce China's emissions below projected levels. India, for its part, is working on its own domestic legislation to reduce carbon pollution. So it is a myth that China and India have been sitting on the sidelines. The truth is, they've been coming to the negotiating table with concrete actions and commitments, and they're waiting for us to do the same!

Fifth, and as important as anything, if we act, the economic opportunities will be enormous: millions of new jobs and major improvements in every sector of the energy economy. But if we hang back, we know what will happen, because it is happening already. Today, only five of the top thirty companies in the world in solar, wind and advanced batteries are based in the United States. We invented solar and wind technology, but we let others master it first, and now Germany has created 280,000 renewable energy jobs and actually employs more people in its renewable energy sector than in the legendary German auto industry.

State by state, a smart energy bill can deliver growth and jobs. Wind energy alone can bring tremendous economic benefits. In Montana, there's a plan to build a \$25 million wind turbine manufacturing plant in Butte, with scientists trained at Montana Tech. In Pennsylvania, the wind turbine manufacturer Gamesa has invested over \$175 million and put over 1,100 Pennsylvanians to work. In Norman, Oklahoma there's a 30-year-old family-owned company that has become the third-largest manufacturer of small wind turbines in the world, with installations in all 50 states and over 100 countries. And that's just a few examples from one clean energy sector! I understand that there is some concern inside the Senate that this process is moving too quickly. I'll put aside my own feeling that a process that began over twenty years ago is quick only by Senate standards. But within the constraints of the Senate, we know this is only one step – albeit a crucial one – in a broad, comprehensive, Senate-wide effort. By the time it gets to the floor, a

comprehensive energy and climate bill will include inputs from six Senate Committees. But the foundation for all of that work – a cap on carbon pollution – must come through this Committee first.

I respect that there is a lot of passion on all sides of these issues. People are worried about jobs, about keeping energy affordable, and about economic competitiveness. These are real and legitimate subjects of concern. And we must address them as thoroughly and honestly as we can together. I am confident that the more people understand about what we are trying to accomplish here—not the politics, but the substance—the more they will be willing to join us. So to sum up, the science is more urgent than ever. We have a workable mechanism to address the challenge in a way that is affordable and efficient. Our security, our leadership, and our economic future are at stake.

And frankly, this body's leadership is at stake too. America and the world are waiting to hear from the US Senate. World leaders are waiting for a signal that we are serious before they make commitments at the Copenhagen climate talks six weeks from now. CEOs and business leaders are waiting for a signal from Washington that will give them market certainty.

Failure to act comes with another cost. If Congress does not pass legislation dealing with climate change, the administration will use the Environmental Protection Agency to impose new regulations. Imposed regulations are likely to be tougher and they certainly will not include the job protections and investment incentives we are proposing. Killing a Senate bill is not success; indeed, given the threat of agency regulation, those who have been content to make the legislative process grind to a halt might well later be demanding that Congress secure the kinds of incentives and investments we can and should simply pass today.

For all these reasons - it's time for the Senate to lead and – with an eye toward our best traditions— find common ground to move the country forward, keep our country safe and strong, and lay the groundwork for decades of economic growth to come.

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