

**Opening Statement of Regina McCarthy  
Administrator  
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**Hearing on the President's Climate Action Plan  
Committee on Environment and Public Works  
U.S. Senate  
January 16, 2014**

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

In June of last year, 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<sup>1</sup> are convinced that human-caused climate change is occurring. If our changing climate goes unchecked, it will have devastating impacts on

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<sup>1</sup> W. R. L. Anderegg, "Expert Credibility in Climate Change," *Proceedings of the National Academy of Sciences* Vol. 107 No. 27, 12107-12109 (21 June 2010); DOI: 10.1073/pnas.1003187107.  
P. T. Doran & M. K. Zimmerman, "Examining the Scientific Consensus on Climate Change," *Eos Transactions American Geophysical Union* Vol. 90 Issue 3 (2009), 22; DOI: 10.1029/2009EO030002.  
N. Oreskes, "Beyond the Ivory Tower: The Scientific Consensus on Climate Change," *Science* Vol. 306 no. 5702, p. 1686 (3 December 2004); DOI: 10.1126/science.1103618.

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 annually 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.

Power plants are the single largest source of carbon pollution in the United States. In March 2012, the EPA first proposed carbon pollution standards for future power plants. After receiving over 2.5 million comments, we determined to issue a new proposed rule based on this input and updated information.

In September 2013, the EPA announced its new proposal. The proposed standards would establish the first uniform national limits on carbon pollution from future power plants. They will not apply to existing power plants. The proposal sets separate national limits for new natural gas-fired turbines and new coal-fired units. New large natural gas-fired turbines would need to emit less than 1,000 pounds of CO<sub>2</sub> per megawatt-hour, while new small natural gas-fired turbines would need to emit less than 1,100 pounds of CO<sub>2</sub> per megawatt-hour. New coal-fired units would need to emit less than 1,100 pounds of CO<sub>2</sub> per megawatt-hour. Operators of these units could choose to have additional flexibility by averaging their emissions over multiple years to meet a somewhat tighter limit.

The standards reflect the demonstrated performance of efficient, lower carbon technologies that are currently being used today. They set the stage for continued public and private investment in technologies like efficient natural gas and carbon capture and storage. The proposal was recently published in the Federal Register on January 8, and the formal public comment period is now open. We look forward to robust engagement on the proposal and will carefully consider the comments and input we receive as a final rule is developed.

As noted, the proposed rule would apply only to future power plants. For existing plants, we are engaged in outreach to a broad

group of stakeholders who can inform the development of proposed guidelines, which we expect to issue in June of this year. These guidelines will provide guidance to States, which have the primary role in developing and implementing plans to address carbon pollution from the existing plants in their states. We recognize that existing power plants require a distinct approach, and this framework will allow us to capitalize on state leadership and innovation while also accounting for regional diversity and providing flexibility.

The EPA's stakeholder outreach and public engagement in preparation for this rulemaking is extensive and vigorous. We held eleven public listening sessions around the country at EPA regional offices and our headquarters in Washington, DC. We have participated in numerous meetings with a broad range of stakeholders across the country. And all of this is happening well before we propose any guidelines. When we issue proposed guidelines in June, the more formal public process begins – including a public comment period and an opportunity for a public hearing – which will provide yet further opportunity for stakeholders and the general public to provide input.

### **Cutting Methane Emissions**

The Climate Action Plan 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 is working with other agencies to assess emissions data, address data gaps, and identify opportunities to reduce methane emissions through incentive-based programs and existing authorities.

### **Curbing Emissions of HFCs**

The Plan also calls on the US to lead through international diplomacy as well as domestic action to reduce emissions of hydrofluorocarbons (HFCs), potent greenhouse gases whose emissions are otherwise expected to nearly triple by 2030. Moving forward, the EPA will use its authority under the Clean Air Act to encourage the investment, purchase, and use of climate-friendly alternatives.

### **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 is incorporating research on climate impacts into the implementation of our existing programs and developing 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 natural resources in the face 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 continues 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.