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Statement of Chairman Edward J. Markey As Prepared for Delivery  
 "Consumer Protection Provisions in Climate Legislation"  
 Subcommittee on Energy and Environment  
 House Committee on Energy and Commerce  
 March 12, 2009

In over 30 years in Congress, one word has always come first in every piece of legislation I have written: consumers. From telecommunications to fuel economy standards, I have found that starting with the goal of saving families money through technological innovation is the best vehicle for effective public policy.

For too long, American consumers have been unprotected against costs from our old energy economy and the threat of global warming.

First, America's dependence on foreign oil continues to impact our economy. Before the subprime and derivatives crisis created a financial markets meltdown, four dollar gasoline and skyrocketing coal and natural gas prices sent early shockwaves through the economy, destabilizing our financial house of cards.

Second, consumers are losing money on an inefficient, outdated energy grid that wastes about half of the energy it transports.

Third, by delaying action on clean energy and global warming, consumers are losing money every day on the lost innovation of new clean energy products.

Fourth, we have heard in this committee that the cost of climate inaction will have negative financial consequences. We've already seen the impact on the insurance industry as storms have increased in strength from a warming earth.

And so, much like the Telecommunications Act and fuel economy legislation, climate legislation is consumer legislation. And there is a proper way and an improper way to craft this legislation.

Improperly done, climate legislation could unjustly enrich corporations at the expense of consumers.

Improperly done, the investments needed to drive the clean energy economy will be put on consumers while polluters get a free pass.

Properly done, we will put a cap on pollution that will allow businesses the flexibility to innovate and create highly profitable clean energy solutions.

in our economy, or from increases in energy prices -- it has not. Attempts to seek refuge in the status quo have left us farther behind in the ongoing global economic and energy race.

Those who predict our bill will result in soaring energy costs fall into a long line of doomsayers who have eventually been proven wrong.

Environmental statutes have saved lives, and smart energy policies have saved money, and done so at a fraction of the high costs projected by industry.

Nor will global warming or oil-driven foreign regimes wait for us to act.

Just last Friday, Administrator Jackson issued her proposed endangerment finding stating that: "climate change is an enormous problem" and "the greenhouse gases that are responsible for it endanger public health and welfare."

Among the impacts that flow from global warming are increased drought, more frequent and intense heat waves and wildfires and harm to water resources, agriculture, wildlife and ecosystems.

And EPA also emphasized that global warming will have disproportionate impacts on the very poor, the very young, the elderly, those already in poor health and those living alone or dependent on few resources.

Left unabated, global warming and our dependence on oil will jeopardize America's national security and increase our economic risks. Whether it is the hundreds of billions we send every year to unfriendly regimes, or the hundreds of millions globally who could be without drinking water from increased drought, we cannot wish away these problems.

We have developed our discussion draft with all of these factors in mind.

In the discussion draft, and going forward, we will strive to get reductions in global warming pollution that meet science-based targets by using cost-saving energy efficiency and clean energy solutions.

We will continue to adopt strategies to help keep costs low, from the use of offsets, to banking and borrowing, and through the use of a strategic reserve of allowances that can limit any costs that are higher than expected.

We will continue to fund clean energy solutions that will allow new American companies to prosper, creating clean energy jobs that can't be shipped overseas. And we will continue to provide opportunities and incentives for energy efficiency to save families money.

We will continue to ensure that we assist and benefit consumers, especially low income consumers

We will ensure that our most internationally competitive industries are not left exposed to foreign inaction. We will hold ourselves to high standards, and we will hold the international community to high standards.

Nor are we finished improving this legislation.

As we proceed through these hearings, we will hear dozens of other witnesses, some with positive comments and some with suggestions for improvements.

We welcome those comments and we look forward to working with all the members of this committee to develop legislation that will create a new, clean energy economy, free of the threat of dangerous global warming and free of our dependence on foreign energy sources.