

## **Opening Statement**

### **Select Committee on Energy Independence and Global Warming**

#### ***Constructing a Green Transportation Policy: Transit Modes and Infrastructure***

**March 19, 2009**

President Obama's budget blueprint recently estimated "climate change revenues," that is "taxes" by any other name, of \$646 billion by 2019. While this would represent one of the largest new taxes in our country's history, President Obama's estimates are likely low. A top White House economic adviser recently told Senate staff that the actual "revenues" could be two-to-three times higher. The global warming tax could reach nearly \$2 trillion.

Today we will receive testimony on parts of one sector of our economy – transportation – that will come under new regulations and taxes under the Administration's proposal. In assessing climate change legislation, I have repeatedly stated that there are four principles that I will use to assess it: impacts on the economy, environmental improvement, international inclusiveness and technological development. Today's hearing provides a great opportunity to focus on how technology can improve our transportation sector.

This January, I wrote to EPA Administrator, Lisa Jackson, to highlight a Duke University study that found that 75% of respondents misjudged relative fuel savings when efficiency was expressed in Miles-Per-Gallon. By contrast, 64% accurately judged the savings when the efficiency was expressed in Gallons-Per-Mile.

For example, over 10,000 miles of driving, an improvement from 10 to 20 Miles-Per-Gallon saves substantially more fuel than an improvement from 20 to 40. An improvement from 10 to 11 Miles-Per-Gallon saves nearly as much fuel as an improvement from 33 to 50.

This means that the greatest fuel savings will come from improving the least efficient vehicles. Thus, trucks are the low hanging fruit in reducing fuel consumption. Despite this, federal policy has focused almost exclusively on promoting hybrid passenger cars.

According to the OshKosh Corp., there are 90,000 refuse trucks in the United States. Replacing these trucks with hybrids would result in the same fuel savings as replacing 2.5 million passenger cars. Ten thousand hybrid trucks would save 7.2 million gallons of diesel each year and would reduce emissions by 83,000 tons. This would be like taking every car in New York City off the road for 25 days. As today's witness, John Boesel, the President and CEO of Calstart wrote in his testimony, "because of their high mileage and fuel use, medium- and heavy-duty vehicles alone make up 7 percent of total GHG emissions."

To remedy this oversight in Federal policy, I introduced the Heavy Duty Hybrid Vehicle Research, Development and Demonstration Act of 2009. The Hybrid Truck Act is a bipartisan bill that will create the Federal government's first grant program exclusively designed to promote hybrid trucks. This bill can help truck manufacturers overcome technological hurdles and to reduce economies of scale. It will result in more hybrid trucks, less fuel consumption, and lower emissions.

This hidden tax will be added to our electric bills and to the cost of every product we buy. And it represents a fundamentally different philosophy. While I'm advocating a policy that spends wisely to simultaneously reduce emissions and spur economic activity, Obama is advocating a staggering tax program that threatens to cripple consumer spending and businesses.

I look forward to hearing from today's witnesses to identify other areas where Federal policy can aid businesses in developing the technologies we need to combat climate change.