

Opening Statement
Select Committee on Energy Independence and Global Warming
“The Role of Coal in a New Energy Age:”
F. James Sensenbrenner, Jr.
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“Like most Americans, I believe that there can and should be a proper balance between economic prosperity and environmental sustainability. Everyone wants clean air and clean water, and no one wants sky-high electric and tax bills.

“But cap-and-tax programs don’t come close to striking this balance. The huge reliance on offsets means that emissions will merely shift overseas, and every study has shown that cap-and-tax will cause increases in utility rates, gas prices and other economically-essential activities.

“One statistic from the National Association of Manufacturers demonstrates the greatest danger of cap-and-tax: 3 to 4 million lost jobs. This is not the balance that the American people are demanding, especially when nearly 15 million Americans are unemployed.

“Coal is the most abundant natural energy resource in the United States and it generates nearly half of our country’s electricity. Coal power plants built today emit 90 percent fewer pollutants like sulfur dioxide, nitrogen oxide and mercury than plants built in the 1970s. Emissions from coal power plants have dropped 40 percent since the 1970s, despite the fact that coal use has tripled. And the United States has nearly one-third of the world’s total coal.

“Last week, the World Bank approved funding of a new coal-fired power plant in South Africa. There was heavy criticism from some environmentalists about this project, but World Bank officials said the benefits clearly outweighed the concerns. Faced with frequent blackouts and an aging infrastructure, the South African government said that the energy reliability of the plant would lift the economy and the standard of living for South Africans.

“The U.S. Treasury Department also noted that there were no near-term viable low-carbon energy alternatives for South Africa. Coal is the only resource that could possibly keep this nation’s economy on track. Despite this realization, the U.S. abstained from the World Bank vote.

“China is the world’s largest user of coal, burning nearly three-times more than the U.S. China is also the world’s largest emitter of carbon dioxide. But China is not willing to commit to an international agreement to cut carbon dioxide emissions.

“The Administration is trying to sell cap-and-tax on the false premise that it will create so-called green jobs. The President is correct when he says that his proposal to impose higher energy prices on American manufacturers will create jobs--the jobs won’t be green, however, they’ll be red. As China’s reliance on coal continues to grow with its surging economy, cap-and-tax will kill U.S. manufacturing and ship even more jobs to China.

“It’s neither advantageous nor possible to abandon coal, but that’s precisely what cap-and-tax proposes to do. The policy is proof that President Obama intends to make good on his campaign promise when he said, ‘If someone wants to build a coal-fired plant, they can, it’s just going to bankrupt them because they are going to be charged a huge sum for all that greenhouse gas that’s being emitted.’

“At least for the foreseeable future, the world can’t meet its energy demands without coal, but new technology can help lessen the environmental impacts of coal use. Researchers continue to advance carbon capture and storage technology, which holds the potential to drastically cut CO₂ emissions from coal use.

“A test project at the We Energies power plant in Pleasant Prairie, Wis. last year successfully captured 90 percent of carbon dioxide emissions. As we speak, ground breaking will begin on another test project in Bucks, Alabama. The 25 megawatt Barry power plant is expected to capture between 100,000 and 150,000 metric tons of carbon dioxide per year. The carbon dioxide will be transported by pipeline to a site about 10 miles away, where it will be injected for permanent underground storage in a deep saline geologic formation. This project will attempt to demonstrate start-to-finish carbon capture and storage, and is one of many important test projects underway that will advance development of this critical technology.

“And while carbon capture is one part of the energy balance Americans demand, so are proven technologies like nuclear power and renewable technologies like wind and solar. Americans want a healthy mix of energy technologies that keep the environment clean and the economy humming, and that’s why Republicans have always supported an ‘all of the above’ approach to energy.

“I would like to welcome our witnesses today and I look forward to hearing from Ohio Coal Association President Mike Carey, who will tell us more about the importance of coal in his state and for our country and about President Obama’s war against coal.”