

**Mr. Sensenbrenner's Opening Statement for Select Committee
on Energy Independence and Global Warming hearing:
"Business Opportunities in a Low-Carbon Energy Economy."**

Oct 10., 2007

Global warming is a complicated problem that can't be solved by the United States alone. International partnerships must be an essential part of any global warming policy and I'm pleased that today's hearing will feature the perspective of two CEOs from the United Kingdom, who will be able to add some of insight from across the pond.

Technology will be another essential part of any successful global warming policy, and all four of today's witnesses will be able to give us more perspective on the technology that holds the best hope of reducing greenhouse gas emissions.

Because it is clear that there will be continued demand for energy – from increased economic growth here and around the world – it is

clear that technological breakthroughs are the only real way for countries around the world to continue to meet their energy demands without raising their greenhouse gas output.

While today's witnesses may share some views, on technology it seems that there are at least some differences between them.

Some investors have different ideas than others about where the future of technology may go. Some consumers will obviously have different ideas about what type of cars they want to drive and perhaps they won't be the same ideas as government regulators in Washington, London or other parts of the world.

I support the development of these new technologies and I want nothing to stand in their way, especially government mandates.

While I agree with our witnesses that technology needs substantial further development, I'm afraid I don't think government mandates

will get us there. By picking winners and losers, the government could act to block worthwhile technology development while advancing substandard technology. It is far too early for Congress or any government regulators to begin deciding what technology will be right for our future energy needs.

Another concern I have with mandates is that it will result in economic harm. Technological transitions can benefit the economy; the Internet is an example of that. However, if government regulations thrust technology onto an economy that's not yet ready for it, the results will likely be havoc. I believe the free market is powerful enough to sort out the variety of emerging new technologies and integrate them into the economy without hitting our constituents in the wallet.

In the end, we all want to see greenhouse gas reductions. But getting there is not going to be easy. One recent report from a group called Open Europe shows that European-based facilities

covered by the EU's emissions trading scheme have actually seen an increase in CO2 emissions by nearly 1 percent. While that is not a tremendous increase, it is certainly not a reduction either, and it goes to show what a difficult task lays ahead.

And nowhere does this task become difficult than in dealing with countries like China and India, whose emissions continue to grow. Already, one report puts China's total emissions ahead of the U.S. Countries like China and India will need revolutionary technology of their own in order to slow their emissions growth.

There will be increasing demand for cutting-edge energy technology in the U.S., Europe, Asia and elsewhere around the world, so there will clearly be business opportunities. I'm just concerned that if the government gets into that business, like it has in Europe, the results might not be the ones we expected.

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