Thank you, Chairman Jordan and Ranking Member Kucinich, for the opportunity to testify today. My name is David Doniger, and I am policy director and senior attorney for the Climate Center of the Natural Resources Defense Council (NRDC). NRDC is a nonprofit organization of scientists, lawyers, and environmental specialists dedicated to protecting public health and the environment. Founded in 1970, NRDC has more than 1.3 million members and online activists nationwide, served from offices in New York, Washington, Los Angeles, San Francisco, Chicago, and Beijing. I have worked at NRDC since 1978, except during Clinton administration, when I served in the White House and the Environmental Protection Agency. Over the last decade, I represented NRDC in the Supreme Court case Massachusetts v. EPA and continue to represent NRDC in the agency proceedings and court cases on carbon pollution since that ruling.

Mr. Chairman, the witnesses you have heard before me, and many members of this panel, are pursuing a false story-line that demonizes the Environmental Protection Agency and the modest steps it is taking to begin reducing dangerous carbon pollution. Contrary to that false story-line, EPA is doing just what Congress told the agency to do when it wrote the Clean Air Act. Congress gave EPA the duty to keep abreast of developing science, and to act when science shows that pollution endangers our health and welfare. EPA is following the overwhelming weight of climate science, and is requiring only the biggest polluters to use only available, affordable, and cost-effective pollution control measures. EPA is taking great care to protect American families and American small businesses that are the focus of this hearing. In fact, EPA has set carbon pollution standards for new cars, SUVs, and over-the-road
trucks that will save billions of dollars for American families and small businesses by cutting their gasoline and diesel fuel bills. And EPA has gone to great lengths to exempt the millions of American small businesses from any obligations as it begins to address carbon pollution from only the very largest industrial sources, such power plants and oil refineries.

In pursuing this false story-line, the majority in this House is sharply out of step with the majority of the American people, who in poll after poll – both nationally and in districts like yours – strongly back the actions EPA is taking to protect their health, including the agency’s actions on carbon pollution, by margins of well over 60 percent. (Data on this polling is attached to my testimony.) It is not too late for the House to take a deep breath and reconsider the course you are on.

Denying the Science

Mr. Chairman, let me begin with a word on the extreme legislation, H.R. 910, that the House of Representatives is on the verge of adopting this week. With this bill, House members would take the unprecedented step of repealing an expert agency’s formal scientific finding of a threat to health and welfare. Congress has never done this before, and you should not start now.

The EPA endangerment finding is backed by solid scientific authority. For example, America’s own most authoritative scientific body, the National Academy of Sciences (NAS), concluded in 2010:

Climate change is occurring, is caused largely by human activities, and poses significant risks for – and in many cases is already affecting – a broad range of human and natural systems. . . . Most of the warming over the last several decades can be attributed to human activities that release carbon dioxide (CO₂) and other heat-trapping greenhouse gases (GHGs) into the atmosphere. The burning of fossil fuels – coal, oil, and natural gas – for energy is the single largest human driver of climate change, but agriculture, forest clearing, and certain industrial activities also make significant contributions.¹

The NAS report also stated:

Some scientific conclusions or theories have been so thoroughly examined and tested, and supported by so many independent observations and results, that their likelihood of subsequently being found to be wrong is vanishingly small. Such conclusions and theories are then regarded as settled facts. This is the case for the conclusions that the Earth system is warming and that much of this warming is very likely due to human activities.²

And here, concisely put, are the conclusions of the U.S. Global Change Research Program (USGCRP), which is mandated by Congress in the Global Change Research Act (15 U.S.C. §§ 2921-2961) to coordinate and integrate climate change federal research:

Climate changes are underway in the United States and are projected to grow. Climate-related changes are already observed in the United States and its coastal waters. Widespread climate-related impacts are occurring now and are expected to increase. Climate changes are already affecting water, energy, transportation, agriculture, ecosystems, and health. Crop and livestock production will be increasingly challenged. Coastal areas are at increasing risk from sea-level rise and storm surge. Risks to human health will increase. Climate change will interact with many social and environmental stresses. Thresholds will be crossed, leading to large changes in climate and ecosystems. Future climate change and its impacts depend on choices made today. The amount and rate of future climate change depend primarily on current and future human-caused emissions of heat-trapping gases and airborne particles. Responses involve reducing emissions to limit future warming, and adapting to the changes that are unavoidable.³

EPA’s findings – that industrial emissions of greenhouse gases have contributed to the build-up of carbon dioxide and other greenhouse gases in the atmosphere, that rising concentrations are causing climate change, and that climate change impacts endanger both public health and welfare – rest on the solid foundation of the NAS and USGCRP reports and reports by a host of other national and international scientific bodies. They were reached after two full rounds of public comment in which EPA heard and responded to every possible public concern. This was a model of transparent decision-making and is precisely how our government should operate.

² Id. at 21-22.
Politicians do not prosper long when they put themselves in the position of denying modern science. Repealing EPA’s scientific determination that carbon pollution causes dangerous climate change would be like repealing the Surgeon General’s finding that tobacco smoke causes cancer. H.R. 910 will harm the health and the pocketbook of millions of Americans. It is both bad policy and deeply unpopular. I urge you to step back from this abyss when the bill goes to the floor.

The Clean Air Act: One of America’s Best Investments

The Clean Air Acts critics get the economics of environmental safeguards completely backwards. Rather than hurting economic growth, four decades of data show that the Clean Air Act helps our economy grow while it protects the health of millions of Americans.

Over the past 40 years, the American economy has tripled in size while we’ve cut some forms of pollution by more than 60 percent. That’s because the Clean Air Act does not demand the impossible – it requires only pollution controls that are achievable and affordable. That’s just as true when setting carbon pollution standards as it has been for other kinds of pollution.

In an extensively peer-reviewed report, EPA recently documented the following health and environmental benefits just from the Clean Air Act’s 1990 amendments:

- In 2010 alone, we gained approximately $1.3 trillion in public health and environmental benefits, for a cost of only $50 billion. The ratio of benefits to costs in 2010 is more than 26 to 1.

- In 2020, we will have a staggering gain of approximately $2 trillion in benefits, at a cost of $65 billion. The ratio of benefits to costs in 2020 will be more than 30 to 1.

I am pretty sure everyone here would like to have returns like these in our own portfolios.

The table below shows EPA’s estimates for the associated health benefits in 2010 and 2020, as well as cumulative figures for the decade estimated by NRDC.

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EPA’s Carbon Pollution Safeguards Will Help, Not Hurt, America’s Small Businesses

So now let’s turn to the impacts of EPA’s carbon pollution safeguards on small businesses.

Contrary to the false story-line that you have heard in letters to Chairman Issa and from other witnesses here today, the fact is that EPA’s actions to curb carbon pollution totally exempt small sources. And the most important step EPA has taken so far – the landmark clean car standards – will actually save thousands of dollars for American families and small businesses.

Let’s start with the myth that EPA is coming after every hot dog stand in the nation. This charge has been repeated, ad nauseum, by countless industry lobbyists and it appears over and over in their submissions responding to Chairman Issa’s solicitation of alleged regulatory burdens. For example, in its January 11th letter, the Heritage Foundation claimed: “The EPA has acknowledged that the endangerment finding and concomitant regulations will, for the first time, impose costly requirements
on millions of businesses and other ‘facilities,’ including apartment buildings, office buildings, and even churches. Farmers will also be entangled in costly regulations.”

There’s only one problem. The claims are false. Every one of the Heritage Foundation’s charges, italicized above, is just plain wrong. The truth is that EPA has exempted all small sources of carbon pollution from permit requirements for new and expanded sources. Instead, directly in line with congressional intent, EPA has focused those permit requirements on only the largest new and expanded sources of carbon pollution, such as power plants, oil refineries, and other big polluters.

Let’s be clear about what the Clean Air Act actually requires. When a company wants to build or expand a big plant that will operate for decades, it is only common sense to take reasonable steps to reduce how much dangerous pollution it will put into the air. So for decades, the Clean Air Act has required that someone – either the state’s environmental agency or the EPA as a last resort – review what the new or expanded plant can reasonably do to reduce its pollution, and put achievable and affordable emission limits into a construction permit.

Congress adopted this sensible safeguard in the 1977 Clean Air Act amendments, and it applies to each pollutant that is “subject to regulation” under the Act. Starting this year, when EPA’s greenhouse gas standards for new cars took effect – and I will say more about those clean car standards in a moment – the construction permit review of available and affordable pollution control measures also applies to the largest sources of carbon pollution, like new power plants, oil refinery expansions, or other large projects. This is the same review that has been undertaken for decades other pollutants.

What does EPA mean by “big” carbon pollution sources? The review of carbon pollution controls that began in January applies only to new sources or expansions that already need a permit because they emit large amounts of other pollutants, and even then only if they will also increase carbon pollution by at least 75,000 tons/year. Later this year, permits will also be required for new or

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5 Letter from James Gattuso & Diane Katz, Heritage Foundation, to Chairman Darrell Issa, p.6 (Jan. 11, 2011) (emphasis added).
expanded sources that don’t need permits for other pollutants but will increase carbon pollution by at least 100,000 tons/year.

In crafting these thresholds, EPA has taken great pains to be sure that only the largest new and expanded industrial sources will be reviewed. How high are these thresholds? High enough to exempt everyone the Heritage Foundation claims to be concerned about – “*apartment buildings, office buildings, and even churches.*” America’s farmers are also exempted. Even the largest animal feedlot operation in America has greenhouse gas emissions below these levels. The truth is, small sources simply are not covered.

Yet EPA has been sued by dozens of trade associations, companies, and right-leaning advocacy groups representing the country’s biggest polluters. Last year those groups, together with the State of Texas, tried to get a “stay” – like a preliminary injunction – from the U.S. Court of Appeals in Washington. To get a stay, you have to show that you will be irreparably harmed if Clean Air Act safeguards are not blocked. They filed hundreds of pages of briefs and affidavits attempting to prove the claims they have made in their letters to Chairman Issa.

But when put to the test of proving those claims, they failed. After sorting through all the papers, the court found no merit in their claims of harm from the requirement to put available and affordable pollution control technology on big new factories. The December 10, 2010, order denying the stays says this:

> Petitioners have not satisfied the stringent standards required for a stay pending court review. ... Specifically, with regard to each of the challenged rules, petitioners have not shown that the harms they allege are certain, rather than speculative, or that the alleged harms will directly result from the actions which the movants seek to enjoin.

This is no surprise, because the court challengers – like the lobbyists who come up here – are seeking not relief for the small fries, but special favors for the biggest polluters – power plants, oil refineries, and the like. These pollution giants cannot complain to the courts about EPA’s exempting
smaller sources, because the giants are not harmed by it. Their attempt to hide behind the skirts of small businesses should fare no better here on the Hill.  

After all, it’s hard to hide an oil refinery behind a donut shop.  

Even if some of the witnesses here today admit that small businesses are exempt from EPA’s carbon permit review, I expect to hear claims that they still will be affected indirectly because the large sources will have to pass on supposedly crushing costs in electricity and gasoline costs, for example. That is also a false story-line for two reasons.  

First, the Clean Air Act does not demand the impossible. It limits pollution controls on the big sources to what is available and affordable. This is one reason why our economy has tripled in size over the last 40 years while we’ve reduced many forms of pollution by 60 percent or more.  

Second, because the costs of carbon safeguards will be minimal, any costs actually passed along to small businesses will be very small. Let’s look first at small manufacturing firms, whose energy costs are likely to be much larger than for the average small business. A federal interagency study found in 2009 that for 96 percent of all manufacturing firms – firms that employ 93 percent of America’s 13 million manufacturing workers – energy costs average less than 2 percent of the value of the goods they produce. That means the maximum effect from the carbon pollution safeguards at power plants will be only a small percentage change in an already small percentage of manufacturing costs.  

The impacts on non-manufacturing small businesses, with lower energy costs to start with, will be even less. And these businesses have opportunities to lower their overall energy bills significantly through smart programs to make energy use more efficient – to cut air conditioning, heating, and lighting costs in buildings, for example.

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And this brings me to my final example: thanks to EPA’s carbon pollution standards for new cars, small businesses will save big-time at the gas pump. Under the landmark Clean Car Agreement brokered by the Obama administration, EPA, acting together with the Department of Transportation (DOT) and California, has set combined carbon pollution and fuel economy standards that will lower gasoline bills for American small businesses and families by billions of dollars. The first round of standards, for 2012-2016 model cars, SUVs, vans, and pick-ups, will use so much less gasoline that small business owners will save as much as $3,000 over the life the vehicle. Carbon pollution from new vehicles will be cut by 30 percent by 2016, and over the life of the vehicles the country will save 1.8 billion barrels of oil.\(^7\)

EPA’s clean car standards for 2017-2025 will save small businesses even more – as much as another $7,400 per car, and cut national oil dependence by billions of barrels more.

I should note that these calculations were based on gasoline costs starting at $2.61/gallon! Where can you find that anymore? At today’s and tomorrow’s higher gas prices, the savings will be even greater.

You’ve heard complaints here today from a representative of the trucking industry. But EPA’s carbon pollution safeguards mean huge savings for them. That’s because EPA is also working with DOT and California on the first-ever carbon pollution and fuel economy standards for over-the-road trucks. Those standards, proposed last year, will save the owner of a heavy-duty truck up to $74,000 over the truck’s useful life. The nation will save 500 million barrels of oil over the same period.\(^8\) The money

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saved on diesel fuel will stay in the pockets of truck and fleet owners, will make them more competitive, and will enable them to pass on savings to every American in lower costs for food and other goods.

To help even more, last Friday President Obama announced a new initiative specifically to help small trucking companies get access to the new cleaner and more fuel efficient trucks at group rates, to match the prices available to larger companies, and to assist them with financing those purchases.²

Conclusion

Chairman Jordan, Ranking Member Kucinich, and members of the subcommittee. The Clean Air Act has been a tremendous investment for American public health and for the American economy. Congress wrote the Clean Air Act to safeguard us not only against the pollutants we knew about 40 years ago, but also from the pollution that modern science demonstrates is dangerous. That includes the carbon pollution – the greenhouse gas emissions – that EPA is now beginning to address under the nation’s air pollution law. As the Supreme Court’s found, Congress gave EPA a job to do, and thankfully EPA is now tackling that long-overdue task.

Congressmen, you deny the science at your peril. Likewise, you buy into phony story-lines about burdens on small business at your peril. As I mentioned at the outset, large majorities of the American people support the Clean Air Act and want EPA to do its job to control air pollution. They specifically want EPA to do its job to safeguard us from carbon pollution. I’ve appended this polling data to my testimony as food for thought, and I welcome your questions.

February 16, 2011

American Voters Strongly Oppose Congressional Action Against Clean Air Standards
Voters Want EPA, Not Congress, To Set Standards

To: The American Lung Association and Interested Parties
From: Mike Bocian and Andrew Baumann, Greenberg Quinlan Rosner
Jon McHenry and Dan Judy, Ayres, McHenry & Associates

A new bipartisan national survey of likely 2012 voters finds American voters at odds with those in Congress pushing to strip the Environmental Protection Agency of its authority to update air pollution standards, including Carbon Dioxide.

An overwhelming bipartisan majority wants the EPA to set stricter limits on air pollution, with about three-quarters of voters backing tougher standards on Mercury, smog and Carbon Dioxide as well as higher fuel efficiency standards for heavy duty trucks.

More important, voters explicitly reject Congressional efforts to stop the EPA from updating these standards both as a whole and in a debate specific to Carbon Dioxide standards. After a balanced debate on the issue, with language based on that recently used by supporters of Congressional action, a two-to-one majority opposes Congressional action to stop the EPA. This includes a vast majority of independents who, on this issue, look much more like Democrats than Republicans.

Key Findings

1. Voters overwhelmingly support the EPA updating Clean Air Act standards. 69 percent of voters think the EPA should update CAA standards with stricter limits on air pollution.

Moreover, on specific elements of the CAA:

- 79 percent support stricter limits on Mercury.
- 77 percent support stricter limits on smog.
- 77 percent support stricter limits on Carbon Dioxide.
- 74 percent support tougher fuel efficiency standards on heavy duty trucks.

1 Memo based on a national survey of likely 2012 voters conducted for the American Lung Association by Greenberg Quinlan Rosner and Ayres, McHenry & Associates, February 7-14, 2011. Margin of error for the full sample is 3.1%. For half samples it is 4.4%.

□ 2011 Greenberg Quinlan Rosner, All Rights Reserved. February, 2011
2. **Voters overwhelmingly oppose Congressional action that impedes EPA from updating clean air standards.** 68 percent say that Congress should NOT stop the EPA from updating the four standards listed above. When asked specifically about updating standards for Carbon Dioxide, 64 percent say that Congress should NOT stop the EPA.

- After hearing a balanced debate on the issue, with messages based on the actual language used by opponents and supporters of the EPA, strong majorities continue to oppose Congressional action to stop the EPA. 63 percent oppose Congressional action on all four standards while 60 percent oppose Congressional action when the debate centers specifically on Carbon Dioxide. Independents oppose Congressional action by a two-to-one margin in both debates.

3. **Voters trust EPA more than Congress to set clean air standards.** Even after hearing strong arguments from opponents of the EPA, EPA supporters win every element of this debate. Taken as a whole, the survey clearly indicates that voters strongly trust the EPA to deal with clean air standards more than Congress.

- Congress is significantly less popular than either the EPA or the Clean Air Act.
- Only 18 percent of voters think the EPA is exceeding its legal mandate.
- A bipartisan 69 percent majority believes that EPA scientists, rather than Congress, should set pollution standards. This is despite opposing language arguing that our elected representatives in Congress would do a better job than “unelected bureaucrat at the EPA.”
- By a nearly 20-point margin, voters believe that updated EPA standards will boost, rather than harm, job creation.

**EPA More Popular Than Congress, Protecting Air Quality More Important Than Cutting Regulations**

While this survey confirms that “getting the economy moving and creating jobs” is the most important issue for voters (95 percent rate it as extremely or very important), some in Congress are missing the mark by centering their efforts so heavily on cutting EPA regulations, particularly on stopping the EPA from updating standards under the Clean Air Act. In fact, protecting air quality is seen, by 17 points, as a higher priority than “reducing regulations on businesses.” And voters believe that updating clean air standards is more likely to create jobs by leading to innovation rather than cost jobs by restricting businesses by 55 to 36 percent. Meanwhile, the EPA enjoys relatively high ratings with a net +9 favorability rating (38 percent favorable, 29 percent unfavorable) compared to Congress (-13). The Clean Air Act has even higher net ratings at +17.

Consequently, voters want the EPA, and not Congress, to set pollution standards. An overwhelming 69 percent majority (including sizeable majorities of Democrats, independents and Republicans) agrees that “Scientists at the EPA should set pollution standards, not politicians in Congress” while only 21 percent agree that “our elected representatives in Congress should set pollution standards, not unelected bureaucrats at the EPA.”
Multiple Polls Show Americans Support EPA and Carbon Limits; Oppose Efforts to Block EPA

Recent polling by Democratic and Republican polling firms demonstrates clear support across party lines for the Environmental Protection Agency and the Clean Air Act.

**Greenberg Quinlan Rosner and Ayres, McHenry & Associates** polling of 1,021 likely 2012 voters conducted for the American Lung Association February 7-14, 2011 with a margin of error for the full sample of 3.1%.

- More than three out of four voters support the EPA setting tougher standards carbon dioxide, including 78% of Independents and 62% of Republicans.

**Public Policy Polling (PPP) February 18th-19th** national and district-specific polling for the Natural Resources Defense Council:

- 64 percent of Americans -- including 57 percent of Republicans and 63 percent of Independents -- think “Congress should let the EPA do its job” versus “Congress should decide when and how greenhouse gases should be regulated,” which was favored by only about a third of Americans (36 percent).

- More than two thirds of Americans (68 percent) -- including 54 percent of Republicans and 59 percent of Independents -- said the EPA should move ahead to “reduce carbon pollution without delay.”
Findings for Congressional Districts
PPP polling of 27 congressional districts reveals similar patterns of support for the EPA, the Clean Air Act and limiting carbon pollution. For example, in Chairman Fred Upton’s district (MI-6)

- 67 percent of registered voters -- including 60 percent of Republicans -- agreed with the statement that “Congress should let the EPA do its job,” as opposed to the minority who believe that “Congress should decide” what actions are taken to curb carbon pollution.

Most of Congressman Upton’s Constituents Think Congress Should Let the EPA Do Its Job

Cross-party support for EPA is very strong

Some special interests say Congress should prohibit and prevent the EPA from limiting carbon dioxide pollution. For example, the head of the American Petroleum Institute says Congress should decide when and how greenhouse gases should be regulated. But other public-interest groups say Congress should let EPA do its job. The head of the American Public Health Association says that blocking the EPA’s work to reduce carbon pollution could mean the difference between a healthy life for many Americans or battling chronic debilitating illness. Which view do you support?

Polling sources:

Public Policy Polling national and 19 district survey conducted for NRDC February 18-29 with including the following districts: Joe Walsh, IL-8; Robert Dold, IL-10; and Bobby Schilling, IL-17; Daniel Benishek, MI-1; Mike Rogers, MI-8; Michele Bachmann, MN-6; Chip Cravaack, MN-8; Denny Rehberg (MT-At Large); Speaker John Boehner, OH-8; Patrick Tiberi, OH-12; and Jim Renacci, OH-16; Jason Altmire, PA-4; Todd Akin, PA-6; Patrick Meehan, PA-7; Lou Barletta, PA-11; Robert Hurt, VA-5; Scott Rigell, VA-2; Reid Ribble, WI-8; and Sean Duffy, WI-7. For details: http://switchboard.nrdc.org/blogs/paltman/2-23%20Poll%20Table.pdf and all reports: http://bit.ly/fbzBaO.

Public Policy Polling 9-district survey (including Chairman Upton’ and districts in) of registered voters in 9 districts conducted for NRDC February 4-5. Including following districts: Mary Bono Mack (CA-45); Cory Gardner, (CO-4); Adam Kinzinger, (IL-11); Charlie Bass, (NH-2); Leonard Lance, (NJ-7); Mike Doyle, (PA-14); Charles A. Gonzalez, (TX-20); and Gene Green, (TX-29.) For details including press release and individual polling reports: http://switchboard.nrdc.org/blogs/paltman/voters_in_uptons_and_other_hou.html.