

Statement of the Honorable Lee Terry

On the Waxman-Markey Cap and Tax bill (H.R. 2998)

Friday, June 26, 2009

Madame Speaker:

While there is still vigorous debate over the amount of the human contribution to global warming, it seems clear that man has played a role. I believe that we have a moral obligation to reduce our greenhouse gas emissions and use clean, reliable, affordable sources of energy. But we must balance this moral obligation with an equal obligation we have to our constituents to do this in a manner that preserves our nation's economic competitiveness and jobs for Americans.

The Cap and Tax bill before us today is exactly that - an attempt to collect more money from Americans through indirect taxation; it is not a serious attempt to reduce carbon dioxide or other GHG emissions. The basic message of Cap and Tax bill is that "you can still emit CO2 as long as long as you pay the government for this privilege." This would be called extortion under other circumstances. Tony Soprano would be proud.

Other means of reducing emissions, such as phasing out older, dirtier, less efficient coal plants and replacing them in an orderly manner with clean, reliable, affordable energy like nuclear power were dismissed by the Democrat Leadership without even cursory consideration. However, this approach would produce more jobs than the Cap and Tax bill, and result in significant CO2 reductions without the significant increase in costs to consumers' utility bills this bill creates.

Advocates of the Cap and Tax bill state that it will not significantly increase the economic burdens on our constituents. This is just not true. The Cap and Tax bill also contains a Renewable Electricity Standard and other elements which will significantly increase costs to utilities and consumers. The Omaha Public Power District in my District conducted an independent analysis of the costs to my constituents, free of political interference like the one put out by EPA. Even with the free allowances allocated under the Waxman-Markey Cap and Tax bill, costs for Nebraskans will increase by \$74 million in 2012, and increase to \$410 million a year by 2030 in the most optimistic case. My constituents will pay a new energy tax every time they flip on a light switch, turn on their computers, or charge their cell phones.

When the Energy & Commerce Committee met, amendments to replace old coal plants with clean, reliable, affordable energy from nuclear plants, or to encourage the construction of more nuclear plants to reduce our carbon emissions, were rejected on mostly party lines. This makes no sense. Nuclear power is clean, reliable, and the cheapest means of producing electricity in history to date. I urge my colleagues to reject this costly, job-killing legislation.

