



OPENING STATEMENT

Senator Benjamin L. Cardin Co-Chairman

“Clearing the Air, Feeding the Fuel Tank: Understanding the Link between Energy and Environmental Security”

May 6, 2008

Good afternoon. Energy security can be viewed from a number of different perspectives:

- the national security and economic perspective: reducing our reliance on foreign oil;
- the global warming perspective: reducing our green house gas emissions; and now
- the food security perspective: reducing the unintended consequences of our biofuels market.

The national security threat from our dependence on foreign oil is real. Energy independence is critical to our national security and to ensure that rising and unpredictable energy costs do not threaten our economy. I've introduced legislation to create a bipartisan National Commission on Energy Independence to ensure that 90% of all U.S. energy needs are supplied by domestic sources. This Commission will create a framework in which we continue to monitor and adjust our nation's energy policy to ensure that we reach energy independence as soon as possible.

Another critical reason to reduce our reliance on hydrocarbons is to combat global warming through a reduction in green house gas emissions. We have a lot of tools to do this, but we aren't using them aggressively enough. I'm interested to hear suggestions from our witnesses today on what we can do to ramp up our use of renewable energy sources such as biomass and solar energy.

We should be throwing everything we have into alternative energy sources. Tax credits for research and development as well as to help make products marketable are an important part of what fuels these alternative energy entrepreneurs and we need to do our part to make sure the markets can respond efficiently.

For example, industry estimates are that if wind and solar credits expire the impact in just 2009 would be more than 100,000 jobs either lost or not created in these industries, and \$20 billion worth of investments that won't be made. We have a responsibility to keep these efforts going.

The flip side of alternative energy sources is conservation—and frankly we should treat conservation of energy as equivalent to finding an alternative fuel source. Worldwide energy consumption would be 56 percent higher today than it would have otherwise been without the various energy efficiency policies that have been implemented since 1973. If the G-8 countries can double current energy efficiency improvements—reaching a rate of 2.5 percent per year (an achievable goal), and we could extend that to the other major energy-using countries, we would contribute to holding carbon dioxide levels in our atmosphere to a manageable level for the rest of the century. It would also reduce energy demand in each of the G8 countries by 20 percent by 2030—an amount equal to energy from 2,000 coal-fired power plants.

Finally, we need to make sure that the steps we do take are sustainable. That means not just environmentally sustainable, but also economically and socially sustainable. Biofuels are playing an important role in meeting energy needs, and we need to make sure that we are using the most efficient technologies and have a rational market structure in order to ensure we don't inadvertently create other problems such as a food shortage or additional pollution. I look forward to hearing the testimony of today's witnesses. Thank you.

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