

ONE HUNDRED TWELFTH CONGRESS
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Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
“The American Energy Initiative”
Subcommittee on Energy and Power
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Today, we have an opportunity to dispose of some persistent myths about China and energy that we’ve heard from special interest groups for years.

It has become almost an article of faith among those who oppose any efforts to cut domestic carbon pollution that China will never take meaningful action to cut their pollution. For years they have argued, “why should we take steps if China refuses to?”

Today we’ll hear that this is a myth and China is taking action. In its new five-year plan, China set a target of reducing carbon dioxide emissions per unit of GDP by 17% by 2015. That means fewer carbon emissions for each dollar of economic growth.

The Chinese have set a goal of getting over 11% of China’s energy from non-fossil fuels by 2015. That target includes 70 gigawatts of new wind capacity, which is equivalent to over 100 coal-fired powerplants. China’s current wind capacity is 41 gigawatts, and that’s already the highest wind capacity in the world. The five-year plan also calls for China’s successful industrial energy efficiency program to be expanded.

These targets are consistent with meeting China’s commitment under the Copenhagen Accord to reduce its carbon intensity by 40% to 45% from 2005 levels by 2020. Chinese officials are even talking about pilot cap-and-trade programs and a carbon tax to reduce pollution.

China has also shut down 70 gigawatts of its most inefficient coal-fired power plants.

Last year, investment in China’s clean energy sector rose to over \$54 billion. That made them the world leader in attracting clean energy investment. The United States ranked just third in the world with \$34 billion in clean energy investments. We’re now behind China and Germany.

The Chinese are now the world’s largest manufacturer of wind turbines. And they’re the world’s largest manufacturer of solar panels.

Over the next decade, the global clean energy market is going to be worth \$2.3 trillion. The Chinese know this and are pursuing policies that will help them compete. China's number one priority is jobs and economic growth. They know that clean energy and climate policies create jobs and economic opportunities.

While China is moving forward, we are headed in reverse. The Republican budget cuts investments in renewable energy and energy efficiency by 35%. This week, the House will take up legislation to block EPA's modest carbon pollution requirements for the nation's largest polluting facilities.

The policy being pursued in the Committee is based on science denial, and it will be an economic debacle for our nation. Money, investments, and jobs will flow to China and other nations that are investing for the future.

We need to stop the partisan fear mongering. We should embrace setting commonsense, cost-effective rules of the road for carbon pollution. Ensuring that our largest facilities are energy efficient is going to boost their competitiveness and spur innovation. Ambitious clean energy policies are going to produce clean energy jobs.

China has figured that out. We need to start getting serious about winning these global clean energy markets.

I look forward to hearing the testimony of our witnesses, especially Debbi Seligsohn from the World Resources Institute. She is an expert based in China and can tell us what's really happening on the ground there.