Statement of
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To the
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Committee on Energy and Commerce
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Mr. Chairman, distinguished members of the Committee, good morning and thank you for inviting me to testify today as a member of the United States Climate Action Partnership (US CAP), I am Jonathan Lash, President of the World Resources Institute.

The World Resources Institute is a non-profit, non-partisan environmental think tank that goes beyond research to provide practical solutions to the world's most urgent environment and development challenges. We work in partnership with scientists, businesses, governments, and non-governmental organizations in more than seventy countries to provide information, tools and analysis to address problems like climate change, and the degradation of ecosystems and their capacity to provide for human well-being.

As a proud founding member of USCAP let me start by saying that the US CAP partnership was designed to support your work. Since we launched our Call for Action in January of 2007, we have been reaching out to help Congress consider options for climate policy, we have convened workgroups designed to help ponder questions you will face, and today we are releasing our "Blueprint for Legislative Action." I am delighted to be here today to continue our joint efforts to support rapid enactment of US domestic climate policy in 2009.

The need for U.S. climate legislation is urgent. The science is unequivocal, and the need for a new economy to provide jobs and investment is urgent. US CAP businesses and non-profits alike agree that this is the moment to redefine the United States and

support the transition to a low carbon economy.

Let me first address the science: everything we thought we knew a few years ago about climate change has been superseded. All of the trends are proceeding more quickly than we anticipated. Rising temperatures and the consequent impacts are all taking place faster than the models predicted. That means that our long-range projections of what might happen are off. While of course we cannot yet know with complete certainty what will occur 20 (much less 50) years from now, according to our best current work, everything is trending to the high end. And the consequences we are observing today are the product of a mere 0.8 degrees centigrade of warming. Even very aggressive action will only barely forestall two degrees centigrade of warming. The science is telling us we have to act with extraordinary urgency – and that our action must be more than the modest marginal efforts made to date – it must fundamentally change the course of our energy infrastructure, it must address land use and forestry, and it must build a regime that can have global effect, not merely address US emissions.

WRI annually reviews the latest in climate science. This review confirms the case that our climate system is changing. For example:

> According to the National Snow and Ice Data Center (NSIDC), levels of Arctic sea ice from June through September 2007 were at a record low of 4.13 million km2.[1] In 2008, while there was some modest recovery, the world still saw the second lowest recorded ice extent since record-keeping began in 1979. Still more worrisome, the extensive losses during the past two summers have led scientists to speculate that the Arctic Ocean may be ice-free in the summertime much sooner than anticipated. Furthermore, in October 2008, scientists reported that the thickness of winter sea ice plummeted after the 2007 minimum, showing that the ice pack is not only shrinking but is decreasing in overall volume.[2]

[1] NASA "Record Arctic Sea Ice Loss in 2007" http://earthobservatory.nasa.gov/Newsroom/NewImages/Images/arctic_ams_2007259.jpg
[2] *Geophys. Res. Lett.*35, L22502; 2008

The British Columbia Ministry of Forests and Range, in their 2007 report on the mountain pine beetle outbreak,[3] show that in 2007, the impacted area had increased to 13 million hectares (from 4.2 million hectares in 2003). Mountain pine beetles prefer mature lodgepole pines and while they typically die off with cold snaps, warmer temperatures in the region have allowed them to persist. They cut off the nutrient and water supply of the trees by burrowing in trees' bark. The Ministry finds that 40% of merchantable pine volume – 12% of total merchantable volume on the timber harvesting land base in British Columbia – has been impacted from 1999 to 2006. They project that if the pine beetle outbreak continues at the same pace, it will kill off 78% of the pine volume – 23% of total merchantable volume on the province's timber harvesting land base – by 2015.

These impacts, and dozens more of the same magnitude with impacts to our oceans and marine life, to our agriculture systems – and in particular with an impact on the world's poorest and most needy, are harbingers of the future in a climate changed world that seems to be upon us much sooner than anticipated. And every year the list of damages and ecosystems in danger continues to grow. Nature and our economies are linked. But nature does not do bailouts.

If the science calls for urgency, our economy is equally in need of quick remedies.

USCAP recognizes that the United States faces an urgent need to reinvigorate our nation's economy, make the country more energy secure, and take meaningful action to slow, stop and reverse GHG emissions to address climate change. Thoughtful and comprehensive national energy and climate policy will help secure our economic prosperity and provide American businesses and the nation's workforce with the opportunity to innovate and succeed.

[3] B.C. Ministry of Forests and Range, Forest Analysis and Inventory Branch. 2007. "Timber Supply and the Mountain Pine Beetle Infestation in British Columbia: 2007 Update http://www.for.gov.bc.ca/hfp/mountain_pine_beetle/Pine_Beetle_Update20070917.pdf

The U.S. needs legislation that is fast, fair and builds future value. We need legislation that jump-starts the economy and creates a signal to investors to put their money into the transition to a low carbon future. We must set the nation on a new course *immediately* to deliver economic and climate results, provide benefits to all, and prepare us for the next generation of technological competitiveness. I believe this includes action to:

(1) promote energy efficiency in buildings and homes,
(2) modernize the nation's electric grid, making it "smarter" and allowing it to facilitate new, more efficient technologies and renewable energy,
(3) stimulate a variety of low-carbon sources of electricity,
(4) demonstrate and deploy carbon capture and storage for coal-fired power plants and other large stationary sources,
(5) encourage greater use of less carbon-intensive forms of transportation and fuel, and
(6) improve the efficiency of our transportation system.

US CAP supports enactment of an economy-wide, market-driven approach which includes a well-crafted cap-and-trade program that places specified limits on GHG emissions. The program should contain cost-containment measures, complementary policies and measures to supplement the cap-and-trade program, and a fully funded federal technology research, development, demonstration, and deployment program for climate-friendly technologies. Properly designed legislation will encourage innovation, enhance America's energy security, foster economic growth, improve our balance of trade, and provide critically needed U.S. leadership on this vital global challenge. Business needs regulatory certainty to begin a fundamental transformation akin to a new industrial revolution.

I believe that if we do not create domestic markets for advanced technologies, other countries will be serving the global markets of tomorrow. The world wants the efficient, clean technologies that U.S. business can provide if a long term program is in place to

drive innovation. The world is looking to the U.S. to resume its place on the global stage – and this includes engaging developed and developing countries alike on issues such as technology transformation and adaptation. The U.S. must act domestically and must fully engage in the international negotiations to support action by other countries through a global agreement. But U.S. action can not be contingent on action by other countries, since we are the largest historical contributor to the increases in temperatures and greenhouse gas concentrations we are experiencing today.

Recent debate surrounding the crafting of an economic stimulus package early in the 111th Congress has included discussion of such a package of clean energy investments. We agree that such efforts can and should be taken as early as possible. Additionally, a central tenet of our *Call for Action* is that in order to effect the change needed throughout the economy, an economy-wide cap-and-trade system is essential. When combined with complementary measures, the resulting new vision and policy direction will spur the innovation through which America has always excelled. When given the proper tools, incentives and market signals, the American entrepreneurial spirit will lead to sustainability solutions required to meet our many economic, energy, environmental and national security challenges.

We recognize the challenge facing this Committee in crafting comprehensive climate change legislation and we very much hope that the Committee will call upon our unique partnership to help sort through these complexities. The need to begin the transformation of our economy to a sustainable, secure, low-carbon future is compelling and timely; indeed, this will only become more difficult, and more costly, if Congress delays action.

Since 2007, US CAP has provided Congress with international principles and more detailed information on the topics of cost containment, energy efficiency, geologic carbon storage technologies and a greenhouse gas registry. Further, our diverse and broad-based coalition has and will continue to serve as a sounding board for policy-makers as they contemplate legislative options.

USCAP is committed to helping Congress find environmentally sound, workable, cost-effective approaches to climate change. We believe that path forward exists and that we must embark on the journey with deliberate speed. Representing many sectors of the economy, we believe we are in the unique position to work with the President-elect, Congress and all other stakeholders to enact an environmentally effective, economically sustainable and fair climate change program. We look forward to working with the Committee in the 111th Congress to ensure prompt enactment of national climate protection legislation.