Chairman Dingell at the Subcommittee on Energy and Air Quality hearing entitled, "A Review of the Administration's Energy Proposals for the Transportation Sector"

Statement of Congressman John D. Dingell, Chairman
Committee on Energy and Commerce

SUBCOMMITTEE ON ENERGY AND AIR QUALITY
HEARING ENTITLED
â€œA REVIEW OF THE ADMINISTRATIONâ€™S
ENERGY PROPOSALS FOR THE
TRANSPORTATION SECTORâ€•
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Mr. Chairman, thank you for holding todayâ€™s hearing as part of our broad examination of climate change.

The Corporate Average Fuel Economy program originated in this Committee as a response to the first oil crisis of the 1970's. Its primary objective was to reduce the Nationâ€™s consumption of imported oil by improving the fuel economy of light-duty cars and trucks.

The program has had some successes, and some shortcomings. Fuel economy today is double that of thirty years ago, in part -- but only in part -- because of CAFE. The programâ€™s flaw is that it regulates what automakers are able to sell, not what they are technologically capable of producing. The consumer ultimately determines the average fuel economy of an automakerâ€™s fleet with what he or she actually buys.

The program was also designed to address challenges very different from those we face today, in a world that has changed dramatically. The issues have evolved, markets have evolved, and technology has evolved in ways not envisioned when we first wrote CAFE. It is time for a fresh look at the issue â€“ and to seek answers to some key questions.

First, is the existing system of regulating fuel economy the most effective way to address the Nationâ€™s reliance on petroleum?

Second, faced with conclusive evidence that the globe is warming, is CAFE the best way to constrain greenhouse gas emissions from cars and trucks?

Third, what, if any, alternatives merit our support?

I note that when Congress first required the Department of Transportation to set fuel economy standards, the science of global warming was in its infancy. We now know that greenhouse gas emissions are warming the earth with potentially significant consequences for the environment. As motor vehicle use increases around the world, so does the need to address the corresponding increase of greenhouse gas emissions.

Fortunately, many vehicle and fuel technologies not envisioned thirty years ago are now viable in the marketplace. Consumers all across the country can purchase a hybrid-electric car or one that runs on bio-fuels. We are close to developing the next generation of batteries, making plug-in-hybrid and electric vehicles available for purchase in the next few years. More efficient methods of production are making ethanol and other bio-fuels legitimate alternatives to petroleum that also produce lower emissions of carbon dioxide.

A system to regulate fuel economy, without considering the nature of the fuel or the level of greenhouse gasses it emits, may be inadequate. Such a program may discourage the use of fuels that displace petroleum and emit fewer greenhouse gases, but happen to contain less energy than petroleum. Energy security and global warming are real problems confronting the Nation. Solutions must account for technological advancements and their place in the global market.

Finally, we must note the competitive realities of what is a brutal global automotive market, and the disparate impact on American jobs various proposals may have.

These are difficult questions, but they are questions we will answer. Although I am concerned with some aspects of the Administrationâ€™s CAFE proposal, I welcome its ideas and look forward to working cooperatively on these important matters.

The old debate is no longer sufficient. We should clearly identify the problems we seek to solve and consider comprehensive legislation that accounts for the new economic, political, and scientific realities of our time.

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