

Chairman Dingell, Subcommittee on Energy and Air Quality Hearing entitled, "The Renewable Fuels Standard"

Statement of Congressman John D. Dingell, Chairman

Committee on Energy and Commerce

SUBCOMMITTEE ON ENERGY AND AIR QUALITY HEARING ENTITLED "THE RENEWABLE FUELS STANDARD:
ISSUES, IMPLEMENTATION AND OPPORTUNITIES"
May 6, 2008

Rep. John D. Dingell (D-MI), the Chairman of the Committee on Energy and Commerce, today inserted the following statement into the hearing record at a Energy and Air Quality Subcommittee hearing entitled "The Renewable Fuels Standard: Issues, Implementation, and Opportunities."

Mr. Chairman, thank you for convening this important and timely hearing. We are here today to examine our biofuels policy from several standpoints.

First, what progress has the Environmental Protection Agency's (EPA) made in implementing the Renewable Fuels Standard (RFS)?

The original RFS was enacted as part of the Energy Policy Act of 2005. It was expanded under the Energy Independence and Security Act of 2007 (EISA) which directs EPA to finalize many of the rules required to implement the new elements of this program by December 2008. The Agency did a commendable job in implementing the first RFS and was widely praised for the balanced way it pursued consensus, consistent with the law. We expect it will do the same in this instance.

The new RFS contained in EISA is an aggressive approach to biofuels policy. It attempts to both accelerate deployment of traditional ethanol and hasten the arrival of cellulosic biofuels, while balancing the need to reduce greenhouse gas emissions with the need for EPA to grant waivers should unforeseen events arise. Whether the Act's goals will be realized remains to be seen. In the meantime, this committee must be vigilant in its oversight of the program to see how

close, or far, we are to achieving those goals.

I would observe that the ink had hardly dried on this new law when the clamoring began to alter the RFS, and these requests for Congressional intervention continue. In my view, amendments to the law at this time would be unwise and could lead to unintended consequences.

I believe that all stakeholders would be well-advised to consult with the EPA as it develops the rule and try to address any concerns within that forum. If unresolved issues still remain after the rule is finalized, there may be need for Congressional action. To act in advance of that date, however, undermines important processes.

Second, this hearing will examine many of the recent questions raised about biofuels, including the following: the effects of RFS on grain and food prices; the interaction between the price of oil and increased food prices; the role ethanol plays in the retail price of gasoline; the impact that increased biofuels production could have on the environment, particularly through land use changes; and how biofuels policy affects issues of hunger and poverty.

Biofuels policy impacts a broad range of crucial global issues, requiring us to be vigilant toward the potential consequences of these policies. I look forward to the insights from our witnesses on these matters and appreciate their appearance before the Subcommittee today.

Prepared by the Committee on Energy and Commerce

2125 Rayburn House Office Building, Washington, DC 20515