

**Opening Statement of the Honorable Fred Upton
Subcommittees on Energy and Power and Environment and the Economy
Joint Hearing on “The Fiscal Year 2014 Environmental Protection Agency Budget”
May 16, 2013**

(As Prepared for Delivery)

I want to begin by acknowledging and applauding the success of our nation’s efforts to protect and improve our environment over the years. Under existing regulations, our air quality has improved dramatically. This is something that our entire country should be proud of - EPA reports that total emissions of toxic air pollutants decreased by approximately 42 percent between 1990 and 2005 and that between 1980 and 2010, total emissions of the six principal air pollutants dropped by 63 percent.

However, with that success – some might even say in spite of it – the number and scope of EPA regulations is continuing to grow without precedent. The Obama administration is seeking to regulate where they failed to legislate, and they are doing so at a furious pace. According to our staff’s review, the agency issued over 600 final rules in 2012, bringing the four-year total to more than 2,000.

Even more striking than the number of new rules is their unaffordable cost. A recent draft OMB report noted that a disproportionate number of the federal government’s costliest regulations come from EPA, and especially its air office. Rules costing at least one billion dollars are no longer uncommon, and the nation’s struggling economy must absorb them.

And while the cost and expansiveness of EPA rules has increased, the level of transparency about those rules appears to have diminished. Even the billion dollar rules are issued with more questions than answers. Sometimes, the final rule is a big departure from the proposed version. Sometimes, the underlying scientific justification is considered confidential and not disclosed. Frequently, the cost data is incomplete and the claimed benefits are speculative and poorly supported. And quite often, the regulated community is not given sufficient guidance as to how they can comply.

And while the Obama EPA is aggressively pursuing regulations within its own jurisdiction, it is also extending its reach beyond. It is continuing to ramp up its greenhouse gas regulations, which have the potential to change the way we power our grid by limiting fuel diversity as well as how we permit new industrial facilities. Another unwelcome example is the agency’s 11th hour effort to needlessly delay the Keystone XL approval process and the jobs the landmark project would create.

I fear the consequences of EPA’s aggressive regulatory expansion for job creation and energy prices, and especially the disproportionate burden on low-income households. That is why I support the Energy Consumers Relief Act, which would put energy policy back in the hands of the agency with energy in its name – the Department of Energy – by giving DOE the lead role in reviewing all energy-related EPA rules that have a billion dollar price tag.

EPA has an important role to play in implementing the Clean Air Act and other federal environmental statutes, and doing so in the manner that Congress envisioned. I hope this hearing is a first step toward getting the agency back on course.

###