

**Opening Statement of the Honorable Fred Upton  
Subcommittee on Energy and Power and Subcommittee on  
Environment and the Economy  
Hearing on “The Fiscal Year 2015 EPA Budget”  
April 2, 2014**

*(As Prepared for Delivery)*

I want to begin as I did last year 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.

I want to commend EPA's efforts to resolve issues such as Superfund clean-ups. I particularly appreciate your focus on the Kalamazoo River, particularly the Allied site, and look forward to getting that project accomplished. Total removal may well turn out to be the most cost-effective solution in the long run.

In spite of this success over the last few decades, I have some concerns with EPA's regulatory trajectory. 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 this pace has continued with the release of several major rules that impose billions of dollars in cost with questionable benefits.

These rules continue to threaten not only electric reliability and affordability, but they shake up the confidence in the manufacturing renaissance underway. EPA continues to regulate too much too fast. No wonder so many job-creating companies are holding back on new investment – they not only face rising energy and compliance costs, but also uncertainty as to what new regulations will require.

The worst of EPA's regulatory agenda may be yet to come, especially with its greenhouse gas regulations for power plants. We have yet to see fully what EPA plans to propose for existing power plants, or the full impact on consumers' electric bills and on employment. But if we allow this agenda to continue, we may well see higher costs, more jobs lost, and widespread problems.

We get constant reassurances from this administration that costs are minimal and benefits always trump costs when it comes to EPA regulations. Of course, the health law was also rolled out with a host of assurances that fell woefully short. Many EPA rules were introduced with the same kinds of rosy economic promises, and they are proving to be just as detached from reality.

When I meet with manufacturers, I usually hear about the problems with the health law and problems with the EPA. Both threaten jobs and global competitiveness, and do so at a time when low energy prices are finally giving American manufacturers an edge.

Administrator McCarthy was recently quoted in the *New York Times* saying that she wants to avoid a repeat of the Obamacare rollout debacle. I fear that it may be too late, but I certainly hope that we can work together to limit any further damage.

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