

**TESTIMONY OF DAVID D. DONIGER
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**HEARING ON ASSESSING THE IMPACT OF EPA GREENHOUSE GAS REGULATIONS ON SMALL BUSINESS
BEFORE THE SUBCOMMITTEE ON REGULATORY AFFAIRS, STIMULUS OVERSIGHT
AND GOVERNMENT SPENDING**

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Thank you, Chairman Jordan and Ranking Member Kucinich, for the opportunity to testify today. My name is David Doniger, and I am policy director and senior attorney for the Climate Center of the Natural Resources Defense Council (NRDC). NRDC is a nonprofit organization of scientists, lawyers, and environmental specialists dedicated to protecting public health and the environment. Founded in 1970, NRDC has more than 1.2 million members and online activists nationwide, served from offices in New York, Washington, Los Angeles, San Francisco, Chicago, and Beijing. I have worked at NRDC since 1978, except during Clinton administration, when I served in the White House and the Environmental Protection Agency. Over the last decade, I represented NRDC in the Supreme Court case *Massachusetts v. EPA* and continue to do represent NRDC in the agency proceedings and court cases on carbon pollution since that ruling.

Mr. Chairman, the witnesses you have heard before me, and many members of this panel, are pursuing a false story-line that demonizes the Environmental Protection Agency and the modest steps it is taking to begin reducing dangerous carbon pollution. Contrary to that false story-line, EPA is doing just what Congress told the agency to do when it wrote the Clean Air Act. Congress gave EPA the duty to keep abreast of developing science, and to act when science shows that pollution endangers our health and welfare. EPA is following the overwhelming weight of climate science, and is requiring only the biggest polluters to use only available, affordable, and cost-effective pollution control measures. EPA is taking great care to protect American families and American small businesses that are the focus of this hearing. In fact, EPA has set carbon pollution standards for new cars, SUVs, and over-the-road

trucks that will *save billions of dollars* for American families and small businesses by cutting their gasoline and diesel fuel bills. And EPA has gone to great lengths *to exempt the millions of American small businesses from any obligations* as it begins to address carbon pollution from only the very largest industrial sources, such power plants and oil refineries.

In pursuing this false story-line, the majority in this House is sharply out of step with the majority of the American people, who in poll after poll – both nationally and in districts like yours – strongly back the actions EPA is taking to protect their health, including the agency’s actions on carbon pollution, by margins of well over 60 percent. (Data on this polling is attached to my testimony.) It is not too late for the House to take a deep breath and reconsider the course you are on.

Denying the Science

Mr. Chairman, let me begin with a word on the extreme legislation, H.R. 910, that the House of Representatives is on the verge of adopting this week. With this bill, House members would take the unprecedented step of repealing an expert agency’s formal scientific finding of a threat to health and welfare. Congress has never done this before, and you should not start now.

The EPA endangerment finding is backed by solid scientific authority. For example, America’s own most authoritative scientific body, the National Academy of Sciences (NAS), concluded in 2010:

Climate change is occurring, is caused largely by human activities, and poses significant risks for – and in many cases is already affecting – a broad range of human and natural systems. . . . Most of the warming over the last several decades can be attributed to human activities that release carbon dioxide (CO₂) and other heat-trapping greenhouse gases (GHGs) into the atmosphere. The burning of fossil fuels – coal, oil, and natural gas – for energy is the single largest human driver of climate change, but agriculture, forest clearing, and certain industrial activities also make significant contributions.¹

The NAS report also stated:

¹ National Research Council, *Advancing the Science of Climate Change* 3 (2010), http://books.nap.edu/openbook.php?record_id=12782&page=3.

Some scientific conclusions or theories have been so thoroughly examined and tested, and supported by so many independent observations and results, that their likelihood of subsequently being found to be wrong is vanishingly small. Such conclusions and theories are then regarded as settled facts. This is the case for the conclusions that the Earth system is warming and that much of this warming is very likely due to human activities.²

And here, concisely put, are the conclusions of the U.S. Global Change Research Program (USGCRP), which is mandated by Congress in the Global Change Research Act (15 U.S.C. §§ 2921-2961) to coordinate and integrate climate change federal research:

Climate changes are underway in the United States and are projected to grow. Climate-related changes are already observed in the United States and its coastal waters. Widespread climate-related impacts are occurring now and are expected to increase. Climate changes are already affecting water, energy, transportation, agriculture, ecosystems, and health. Crop and livestock production will be increasingly challenged. Coastal areas are at increasing risk from sea-level rise and storm surge. Risks to human health will increase. Climate change will interact with many social and environmental stresses. Thresholds will be crossed, leading to large changes in climate and ecosystems. Future climate change and its impacts depend on choices made today. The amount and rate of future climate change depend primarily on current and future human-caused emissions of heat-trapping gases and airborne particles. Responses involve reducing emissions to limit future warming, and adapting to the changes that are unavoidable.³

EPA's findings – that industrial emissions of greenhouse gases have contributed to the build-up of carbon dioxide and other greenhouse gases in the atmosphere, that rising concentrations are causing climate change, and that climate change impacts endanger both public health and welfare – rest on the solid foundation of the NAS and USGCRP reports and reports by a host of other national and international scientific bodies. They were reached after two full rounds of public comment in which EPA heard and responded to every possible public concern. This was a model of transparent decision-making and is precisely how our government should operate.

² *Id.* at 21-22.

³ U.S. Global Change Research Program, *Global Climate Change Impacts in the United States* 12 (2009) <http://downloads.globalchange.gov/usimpacts/pdfs/climate-impacts-report.pdf>.

Politicians do not prosper long when they put themselves in the position of denying modern science. Repealing EPA's scientific determination that carbon pollution causes dangerous climate change would be like repealing the Surgeon General's finding that tobacco smoke causes cancer. H.R. 910 will harm the health and the pocketbook of millions of Americans. It is both bad policy and deeply unpopular. I urge you to step back from this abyss when the bill goes to the floor.

The Clean Air Act: One of America's Best Investments

The Clean Air Acts critics get the economics of environmental safeguards completely backwards. Rather than hurting economic growth, four decades of data show that the Clean Air Act *helps our economy grow* while it *protects the health of millions of Americans*.

Over the past 40 years, the American economy has tripled in size while we've cut some forms of pollution by more than 60 percent. That's because the Clean Air Act does not demand the impossible – it requires only pollution controls that are achievable and affordable. That's just as true when setting carbon pollution standards as it has been for other kinds of pollution.

In an extensively peer-reviewed report,⁴ EPA recently documented the following health and environmental benefits just from the Clean Air Act's 1990 amendments:

- In 2010 alone, we gained approximately \$1.3 trillion in public health and environmental benefits, for a cost of only \$50 billion. The ratio of benefits to costs in 2010 is more than 26 to 1.
- In 2020, we will have a staggering gain of approximately \$2 trillion in benefits, at a cost of \$65 billion. The ratio of benefits to costs in 2020 will be more than 30 to 1.

I am pretty sure everyone here would like to have returns like these in our own portfolios.

The table below shows EPA's estimates for the associated health benefits in 2010 and 2020, as well as cumulative figures for the decade estimated by NRDC.

⁴ EPA, Benefits and Costs of the Clean Air Act, Second Prospective Study – 1990 to 2020 (Mar. 1, 2011), <http://www.epa.gov/air/sect812/prospective2.html>.

Avoided Health Impacts (PM2.5 & Ozone Only)*	Pollutants	Year 2010	Year 2020	Estimated Cumulative Benefits 2010-2020 (NRDC)**
PM 2.5 Adult Mortality	PM	160,000	230,000	2,145,000
PM 2.5 Infant Mortality	PM	230	280	2,805
Ozone Mortality	Ozone	4,300	7,100	62,700
Chronic Bronchitis	PM	54,000	75,000	709,500
Acute Bronchitis	PM	130,000	180,000	1,705,000
Acute Myocardial Infarction	PM	130,000	200,000	1,815,000
Asthma Exacerbation	PM	1,700,000	2,400,000	22,550,000
Hospital Admissions	PM, Ozone	86,000	135,000	1,215,500
Emergency Room Visits	PM, Ozone	86,000	120,000	1,133,000
Restricted Activity Days	PM, Ozone	84,000,000	110,000,000	1,067,000,000
School Loss Days	Ozone	3,200,000	5,400,000	47,300,000
Lost Work Days	PM	13,000,000	17,000,000	165,000,000

*Chart from Environmental Protection Agency, The Benefits and Costs of the Clean Air Act from 1990 to 2020, Summary Report, March 2011, p. 14.

**To estimate the cumulative life savings and health benefits of the 1990 amendments from 2010 to 2020, NRDC assumed a roughly linear growth rate to interpolate benefit estimates between EPA's estimates for years 2010 and 2020 and then aggregated the annual estimates across the period.

EPA's Carbon Pollution Safeguards Will Help, Not Hurt, America's Small Businesses

So now let's turn to the impacts of EPA's carbon pollution safeguards on small businesses.

Contrary to the false story-line that you have heard in letters to Chairman Issa and from other witnesses here today, the fact is that EPA's actions to curb carbon pollution *totally exempt small sources*. And the most important step EPA has taken so far – the landmark clean car standards – will *actually save thousands of dollars* for American families and small businesses.

Let's start with the myth that EPA is coming after every hot dog stand in the nation. This charge has been repeated, ad nauseum, by countless industry lobbyists and it appears over and over in their submissions responding to Chairman Issa's solicitation of alleged regulatory burdens. For example, in its January 11th letter, the Heritage Foundation claimed: "The EPA has acknowledged that the endangerment finding and concomitant regulations will, for the first time, *impose costly requirements*