Ranking Member Pat Toomey (R-Pa.)
Opening Statement
Full Committee Hearing
August 4, 2022 at 10:00 AM

Thank you Mr. Chairman and all of our witnesses here today.

Every month seems to bring more bad news about energy. Gas prices still remain at near-record highs, despite declines in the last month.

The CPI's energy index was up over 41 percent over the past year as of June. This includes gasoline, fuel oil, electricity, and utilities.

Meanwhile, prices are rising across the economy but paychecks aren't keeping up. After adjusting for inflation, wages have declined five percent since President Biden took office.

In fact, unless you got a 12 percent raise in the last 18 months, you've effectively gotten a pay cut. Working Americans are becoming poorer every day.

Democrats' wasteful spending coupled with over a decade of ultra-easy monetary policy caused 40-year high inflation and contracted our economy. You know what is the last thing Americans need? Policies that are explicitly designed to reduce American energy production—and therefore make the cost of energy more expensive—under the guise of addressing climate change.

That's exactly what the administration and congressional allies have done. They've been eager to find any culprit—other than themselves—to explain the rising cost of energy. They've tried blaming supply chains, Vladimir Putin, and my personal favorite, "corporate greed." How dare businesses be motivated by profit!

My colleagues on the other side of the aisle should really be doing a little self-reflection. But instead, they're trying to jam through a 700-page tax-and-spend bill that will throw fuel, presumably the carbon-neutral kind, on this fire: $385 billion in corporate welfare for politically-favored "green" energy, including $9 billion in generous subsidies for the wealthy to buy Teslas, $1 billion to fund electric garbage trucks and school buses, even though the infrastructure bill provided $5 billion, $1.5 billion for state and local government tree planting, even though we sent state and local governments $500 billion in emergency funding over the last two years, and $1 billion to install solar panels in government-assisted housing—while we're in the middle of a housing affordability crisis.

And how do Democrats propose to pay for these goodies? By raising taxes by $326 billion on employers, with half the burden falling on U.S. manufacturing companies. This "pay for" will exacerbate a recession we're already likely in.

The massive tax-and-spending spree is really just the tip of the iceberg for the Biden administration's costly energy policy. In less than two years, they've halted the Keystone XL Pipeline, erected onerous regulatory barriers to natural gas pipeline construction, mandated the highest ethanol blending requirement in the history of the Renewable Fuel Standard program, issued a moratorium on oil and gas drilling on federal lands and offshore, and nominated for critical federal positions individuals who are openly hostile to the oil and gas industry.

In our committee's jurisdiction, the SEC has reached far outside its statutory mandate to get in on the action. In March, the SEC proposed a rule that would require all public companies to report every greenhouse gas emission in their supply chain—even though this data has nothing to do with the company's financial performance and is likely irrelevant to investors.

In addition to hijacking the democratic process with its breathtaking scope, the SEC proposal would impose immense costs on companies. The SEC itself estimated the paperwork burden to public companies to be an extra $6.4 billion annually. This amount dwarves the current annual paperwork burden from all other SEC regulations combined, which is $3.8 billion annually for this rule alone.

Obviously, the costs of the policies I've described so far are quite high. Businesses shut down. Jobs are lost. Less energy is produced.

Then there are second order effects: higher prices for consumers, failure of the electrical grid, less economic growth, and a lower standard of living. The great irony of all this is that, even for their extraordinarily high costs, none of these policies will make so much as a dent in slowing climate change.

I'm not denying global warming, which is undoubtedly real. What I'm denying is that these policies will have any meaningful effect.

If tomorrow the United States, the second-largest carbon emitter in the world, went carbon-neutral—which, from a carbon point of view, is equivalent to America not existing—global temperatures 80 years from now will have been reduced by 3/10th of a degree Fahrenheit.

This is according to the United Nations' climate model. Feel free to estimate the impact of a few more rich people buying Teslas.

I know my Democratic colleagues sincerely want to reduce greenhouse gas emissions anyway. Well, there's a way we can do that.

There is one thing that has made a dramatic dent in reducing U.S. greenhouse gas emissions: American energy production. Between 2005 and 2019, the U.S. led the world in emissions reductions—largely due to transitioning from coal to natural gas.

David Butterworth is a business manager for the Pipeliners Local Union 798, representing 6,400 union pipeline workers. He has been a member of the union for 25 years. Mr. Butterworth will testify to the importance of traditional energy for grid reliability, as well as the direct challenges his members face from hostility toward their chosen industry and profession.

Dan Eberhart is the CEO of Canary, an oilfield services company employing roughly 400 people from New Mexico to Pennsylvania. Mr. Eberhart will testify to the consequences of consistent under-investment in traditional energy, including policies that chill investment like the SEC climate proposed rule.

I hope my colleagues on both sides of the aisle listen to what they have to share today. Thank you.