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Testimony on
“Does President Obama Really Support an ‘All-of-the-Above’ Energy Strategy?”

House Committee on Oversight and Government Reform
2154 Rayburn House Office Building
May 31, 2012
Chairman Issa, Ranking Member Cummings, and members of the committee, thank you very much for the opportunity to testify today.

I am Daniel J. Weiss, a Senior Fellow at the Center for American Progress Action Fund, a tax-exempt organization dedicated to improving the lives of Americans by transforming progressive values and ideas into policy.

The question posed for this hearing is, “Does President Obama really support an ‘all of the above’ energy strategy?”

What is an “all of the above” energy strategy? To most Americans, it means we must do three things:

- Develop the energy resources of today while using less more efficiently.
- Invest in the new, cleaner technologies of tomorrow.
- Reduce the public health threat from pollution generated by producing and burning coal, oil, and natural gas.

President Obama, employing the tools provided to him by the 110th, 111th, and previous Congresses, is accomplishing all of these goals. The United States is producing more oil and gas from private and federal lands. We are importing and using less oil. We are investing in efficiency, wind, solar, and other new technologies of the future. And the administration’s reductions in smog, acid rain, and toxic air pollutions will prevent up to 45,000 premature deaths annually.

Let’s review the record that demonstrates that President Obama is successfully pursuing an “all of the above” energy strategy.

**Develop the energy resources of today**

**Oil and gas production is up**

There has been a lot of rhetoric about this topic that has crowded out the record. The truth, however, is that the United States is producing more oil while using and importing less. Here are some facts about oil and gas production:
• U.S. oil production is at its highest rate since 1998. The Energy Information Administration predicts that it will reach 6.2 million barrels/day by the end of this year.

• Oil production from federal lands and waters is higher than in 2008. The Energy Information Administration, or EIA, determined that in 2011 the United States produced 646 million barrels of crude oil from federal lands and waters compared to 575 million barrels in 2008—a 12 percent increase in production. Oil production from federal areas was higher in every year from 2008 to 2011 than in 2006 to 2008. Since 2003, the most oil produced from federal lands was in 2011, and the most from federal waters was in 2010.

• The EIA determined that natural gas production in the United States increased by 19 percent between 2008 and 2011, with a record 28.6 trillion cubic feet of natural gas production last year.

• According to Bureau of Labor Statistics data, there were 75,000 more oil and gas jobs in 2011 compared to 2009.

Additionally, a National Journal poll of 1,004 adults found significant bipartisan support for banning or regulating hydraulic fracking that produces shale gas. A majority (53 percent) supported an “increase [in] regulation of fracking to protect the environment, but NOT ban it,” while 15 percent wanted to “ban fracking altogether because it’s not safe for the environment.”

Only one-quarter of poll subjects wanted to “reduce regulation of fracking to encourage more natural gas production.” A clear majority—55 percent—of Republicans wanted either a fracking ban or more regulation; only 41 percent of Republicans wanted to reduce regulations on fracking.

Oil use and imports are down

As stated above, the United States is using and importing less oil. This has reduced the transfer of income to other oil producing countries. U.S. oil consumption is down by 1 percent between 2008 and 2011, according to EIA data. Expenditures on foreign oil were $4.5 billion lower in 2011 than in 2008, even though oil prices were higher.
In 2011 the United States imported only 45 percent of our oil—the lowest rate since 1997. In 2008 we imported 57 percent of our oil, according to the EIA.

President Obama also modernized fuel economy standards for the first time since 1987. After the implementation of the second round of improvements in 2025, the United States will use 2.2 million fewer barrels of oil per day, and drivers will save $8,000 per car in lower gasoline purchases compared to a 2010 car.

Because of the fuel economy standards that will take effect from 2011 to 2016, the EIA predicts that passenger (light duty) vehicle miles traveled will increase by 16 percent from 2009 to 2019, while oil use will increase by only 3 percent. This does not include the proposed standards that will further improve fuel economy between 2017 and 2025.

In addition to saving oil, domestic biofuels will provide nearly 1 million barrels of fuel per day in 2012, according to the EIA.

Investments in buses, subways, and trains can also reduce our dependence on oil and create jobs. Public transportation saves 4.2 billion gallons of gasoline annually. Every $1 billion of investment in public transportation supports 36,000 jobs.

Big Oil companies make record profits due to high prices
High oil and gasoline prices increase oil company profits, and oil prices averaged a near-record $103 per barrel in 2011. It’s little surprise, then, that the big five oil companies—BP, Chevron, ConocoPhillips, ExxonMobil, and Royal Dutch Shell—made a combined record profit of $137 billion last year. And from 2001 to 2011, these companies made more than $1 trillion in profits (2011 dollars). These same five companies made $33.5 billion—or $368 million per day—in the first quarter of 2012.

Although these companies made hundreds of billions of dollars in profits, four of the five are producing less oil. Between 2006 and 2011 these five companies combined produced 12 percent fewer barrels of oil.

### Big Oil pumps out fewer barrels despite higher profits

Annual worldwide liquid fuels production by the big five companies, 2006–2011, millions of barrels per day

<table>
<thead>
<tr>
<th>Year</th>
<th>BP</th>
<th>Chevron</th>
<th>ConocoPhillips</th>
<th>ExxonMobil</th>
<th>Shell</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>2.48</td>
<td>1.73</td>
<td>1.11</td>
<td>2.68</td>
<td>2.03</td>
<td>10.03</td>
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<tr>
<td>2007</td>
<td>2.41</td>
<td>1.76</td>
<td>0.98</td>
<td>2.62</td>
<td>1.82</td>
<td>9.59</td>
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<tr>
<td>2008</td>
<td>2.40</td>
<td>1.65</td>
<td>0.92</td>
<td>2.41</td>
<td>1.69</td>
<td>9.07</td>
</tr>
<tr>
<td>2009</td>
<td>2.54</td>
<td>1.85</td>
<td>0.97</td>
<td>2.39</td>
<td>1.68</td>
<td>9.41</td>
</tr>
<tr>
<td>2010</td>
<td>2.37</td>
<td>1.92</td>
<td>0.91</td>
<td>2.42</td>
<td>1.71</td>
<td>9.34</td>
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<tr>
<td>2011</td>
<td>2.16</td>
<td>1.85</td>
<td>0.80</td>
<td>2.31</td>
<td>1.67</td>
<td>8.78</td>
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Percent change in production between 2006 and 2011

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<thead>
<tr>
<th></th>
<th>2010-2011</th>
<th>2006-2011</th>
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<tbody>
<tr>
<td>BP</td>
<td>-9%</td>
<td>-13%</td>
</tr>
<tr>
<td>Chevron</td>
<td>-4%</td>
<td>7%</td>
</tr>
<tr>
<td>ConocoPhillips</td>
<td>-12%</td>
<td>-28%</td>
</tr>
<tr>
<td>ExxonMobil</td>
<td>-5%</td>
<td>-14%</td>
</tr>
<tr>
<td>Shell</td>
<td>-3%</td>
<td>-18%</td>
</tr>
<tr>
<td>Total</td>
<td>-6%</td>
<td>-12%</td>
</tr>
</tbody>
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High oil and gasoline prices help offset these five companies’ decline in production. CAP conducted an analysis of gasoline prices and big five oil company profit data and found that from 2008 to 2011, every one-cent increase in the price of gasoline translated into $200 million in profits for the big five companies (on a quarterly basis). This explains how high prices increased their profits even as their oil production fell.
Also, despite their demand to open fragile, previously protected places for oil and gas production, oil and gas companies are not developing many of the leases that they already hold. The Department of the Interior recently determined that:

There are approximately 26 million leased acres offshore and over 20 million leased acres onshore that are currently idle – that is, not undergoing exploration, development, or production.

Leased areas in the Gulf of Mexico – that are not producing or not subject to pending or approved exploration and development plans – are estimated to contain 17.9 billion barrels of UTRR oil and 49.7 trillion cubic feet of UTRR natural gas.

According to a May 2012 report from the Department of Interior, “more than 70 percent of the
tens of millions of offshore acres under lease are inactive.” This includes almost 24 million acres that do not have “approved exploration or development plans” in the Gulf of Mexico. This area has an estimated 11.6 billion barrels of oil and 50 trillion cubic feet of natural gas. The Department of the Interior held “three of the top five largest [lease] sales in the agency’s history” last year, while 56 percent of the public lands leased to the oil and gas industry in the lower 48 states were not being explored or producing any fossil fuels.

<table>
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<tr>
<th>Lease Activity (in millions of acres)</th>
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<tr>
<td></td>
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<tr>
<td>Total Number of Leased Acres</td>
</tr>
<tr>
<td>Offshore</td>
</tr>
<tr>
<td>34.8</td>
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<tr>
<td>Onshore (lower 48)</td>
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<tr>
<td>37.0</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>71.9</td>
</tr>
<tr>
<td>Number of Leased Acres that are NOT in exploration or production</td>
</tr>
<tr>
<td>25.7</td>
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<tr>
<td>20.8</td>
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<tr>
<td>46.5</td>
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<tr>
<td>Percentage of Leased Acres NOT in exploration or production</td>
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<tr>
<td>74%</td>
</tr>
<tr>
<td>56%</td>
</tr>
<tr>
<td>65%</td>
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</table>

Source: Department of Interior May 2012 report: "Oil and Gas Lease Utilization, Onshore and Offshore: Updated Report to the President"

Big Oil companies receive billions of dollars of tax breaks

Despite their trillion-plus dollars of profits earned over the past decade due to high oil and gasoline prices, Big Oil companies still receive $40 billion per decade in federal tax breaks. One of these provisions—“expensing of intangible drilling costs”—originated in 1916 and costs taxpayers $12.5 billion per decade..

President George W. Bush, a former oil man, actually supported the elimination of Big Oil tax provisions in 2005 because they were unnecessary. He said:

I will tell you with $55 oil, we don’t need incentives to the oil and gas companies to explore. There are plenty of incentives. What we need is to put a strategy in place that will help this country over time become less dependent.
Big Oil’s tax break defense is full of holes

Big Oil companies and the American Petroleum Institute, or API—their lobbying arm—have misleading or wrong defenses for these tax breaks.

Rhetoric: “The industry receives not ONE subsidy, and it is one of the largest contributors of revenue to our government of any industry in America.” — Jack Gerard, API president and CEO, February 23, 2012

Record: Numerous Republican leaders have noted that a tax break is the same as a direct government payment or subsidy, in a different form. This includes former President Ronald Reagan’s chief economic advisor, Martin Feldstein; former Senate Budget Committee Chair Pete Domenici (R-NM); House Ways and Means Committee Chair Dave Camp (R-MI); and Speaker of the House John Boehner (R-OH).

- Feldstein: “These tax rules — because they result in the loss of revenue that would otherwise be collected by the government — are equivalent to direct government expenditures.”
- Domenici: “Many tax expenditures substitute for programs that easily could be structured as direct spending. When structured as tax credits, they appear as reductions of taxes, even though they provide the same type of subsidy that a direct spending program would.”
- Rep. Camp: “‘Tax expenditures’ [are] provisions that technically reduce someone’s tax liability, but that in reality amount to spending through the tax code.”

Rhetoric: “Raising taxes will not lower energy prices for American families and businesses — in fact, the Congressional Research Service says this plan could cause gasoline prices to go higher.” — Jack Gerard, API president and CEO, March 26, 2012

Record: A May 2011 Congressional Research Service memo to Senate Majority Leader Harry Reid (D-NV), “Tax Policy and Gasoline Prices,” determined that eliminating tax breaks for Big Oil companies would have little impact on the price of gasoline. Here is a summary of CRS’s conclusion of the impact of eliminating specific tax breaks for Big Oil:

Section 199: With current prices at, or near, $100 per barrel in the United States, it is unlikely that firms will slow production, or close wells with the loss of the Section 199 deduction.

Intangible drilling costs: The Woods MacKenzie study did not conclude that U.S. gasoline prices would be affected by the tax changes.
Dual Capacity Rules: [Elimination of] this provision…should have no effect on the firms output or pricing decisions, and therefore no effect on the price of gasoline.

General Considerations: The total expected tax revenues are only 5% of the earnings of the five largest firms in the industry and a smaller percentage of the total industry.

**Rhetoric:** Reducing or eliminating these tax breaks will reduce oil production or cost jobs.

**Record:** Even with the tax breaks, oil production and employment by the big five companies is lower. As previously noted, the big five companies produced 12 percent less oil in 2011 compared to 2006. And despite earning more than $1 trillion in profits between 2001 and 2011, the big five oil companies have shed more than 11,000 U.S. jobs over the past few years, according to “Profits and Pink Slips: How Big Oil and Gas Companies Are Not Creating U.S. Jobs or Paying Their Fair Share” by the House Natural Resource Committee Democrats.

**Rhetoric:** Big Oil already pays its fair share of taxes.

**Record:** The biggest oil companies claim that they pay a large amount of taxes. Reuters found that they support this claim by lumping various fees, payments, and taxes together:

> The industry lumps together U.S. and foreign taxes. It includes taxes that are deferred and thus not paid yet. U.S. companies must pay taxes on profits earned abroad, but they can defer these taxes until they bring the cash into the country.

Reuters also determined that “Exxon Mobil paid 13 percent of its U.S. income in taxes after deductions and benefits in 2011, according to a Reuters calculation of securities filings. Chevron paid about 19 percent.”

And Reuters reports that ConocoPhillips paid an effective federal tax rate of 18 percent last year. These tax rates, Reuters concludes, are “a far cry from the 35 percent top corporate tax rate.”

To further put this into perspective, the average American household paid an effective federal tax rate of 20 percent in 2007, the last year for which data are available.

**Big Oil receives far more subsidies than renewables**

Despite Big Oil’s trillions of dollars of earnings, and billions of dollars of tax breaks dating back 100 years, some Big Oil allies claim that these companies need these tax breaks. Meanwhile, important incentives to invest in clean, emerging renewable technologies are under attack. For example, the production tax credit for wind energy will expire at the end of this year. Its demise
threatens 37,000 jobs. In addition, it would surrender the growing market for clean tech to our economic competitors.

It is important to note that Big Oil and nuclear energy have received vastly more federal assistance than wind, solar, and other renewable energy sources. According to a [DBL Investors analysis](#) from 2011:

In inflation adjusted dollars, nuclear spending averaged $3.3 billion over the first 15 years of subsidy life, and O&G subsidies averages $1.8 billion, while renewables averaged less than $0.4 billion. … federal incentives for early fossil fuel production and the nuclear industry were much more robust than the support provided to renewables today.

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### Historical Average of Annual Energy Subsidies: A Century of Federal Support

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### First new nuclear reactors approved in 30 years

The [first two new nuclear reactors](#) in a generation were approved in February 2012 for Plant Vogtle in Waynesboro, Georgia. [Two more reactors in South Carolina](#) were approved in March. The Georgia reactors are in the process of receiving a federal loan guarantee from the Department of Energy.
Coal mining jobs are up

Coal companies, some utilities, and the coal industry’s lobbying arm claim that there is a so-called “War on Coal” because the Environmental Protection Agency is requiring power plants to reduce their pollution (see below for more details). Despite their high profits, these companies want to avoid reducing their smog, acid rain, toxic, and carbon pollution.

This alleged war is little more than a myth. Coal employment has been growing. The U.S. Mine Safety and Health Administration reports that there were more coal miners employed in the United States in 2011 than any year since 1997, and nearly 3 percent more compared to 2008. This includes more miners in 2010 in Pennsylvania and Virginia, according to the Energy Information Administration. There are also 1,500 more coal miners in West Virginia since President Obama took office, according to the West Virginia Center on Budget & Policy.

Coal production in Colorado and Utah rose 25 percent in the third quarter of 2011 compared with the same period in 2010. Craig, Colorado, “a northwest Colorado town based on an economy powered largely by the surrounding county’s coal mines, is doing relatively well, according to the mayor,” reported Politico. Mitt Romney gave a speech there about the economy on Tuesday
May 29, 2012.

There has been a reduction in coal production over the last several years, but protecting children’s health isn’t the reason. The *West Virginia Gazette* reports that coal companies “have most frequently cited competition from low natural gas prices, a warm winter and the sluggish economy -- not tougher environmental rules -- as the central reasons for production cutbacks.”

**Invest in the cleaner technologies of tomorrow**

**Investments in renewables are vital to U.S. economic competitiveness**

The United States is competing with China, Germany, and other nations to produce the clean energy technologies of the future that the world will demand to reduce the carbon pollution responsible for climate change. By 2020 clean energy will be one of the world’s biggest industries, totaling as much as $2.3 trillion. Of the seven strategic emerging industries identified by China's State Council as focal points for government investment in economic growth, five are related to the clean energy economy.

The growing clean energy industry is very attractive to investors. *Reuters* just reported that the “Goldman Sachs Group Inc. plans to channel investments totaling $40 billion over the next decade into renewable energy projects, an area the investment bank called one of the biggest profit opportunities.”

The question is whether there is a friendly or hostile economic climate in the United States that encourages Goldman Sachs and others to invest in renewable energy here at home. Opposition to incentives and other forms of government support could drive these companies to invest in other nations instead.

**Renewable electricity has nearly doubled under Obama**

Under President Obama, the United States made investments in renewable energy and they are paying off. In 2011, “U.S. clean energy investment moved back ahead of China for the first time since 2008,” according to *Bloomberg New Energy Finance*. And federal loans or guarantees are a good deal for taxpayers. For every $100 the government lends or guarantees, the program only costs taxpayers 94 cents.

Thanks to such investments, the generation of non-hydro renewable electricity will nearly double from 108 gigawatts in 2008 to 196 gigawatts in 2012, based on EIA data. This includes nearly tripling wind-generated electricity and more than doubling solar electricity.

**Wind energy is a growing source of electricity**

One of the fastest growing electricity sources of any kind is wind generation. According to the *American Wind Energy Association*: 

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The U.S. wind industry now totals 48,611 MW of cumulative wind capacity through the end of the first quarter of 2012.

The U.S. wind industry has added over 35% of all new generating capacity over the past 5 years, second only to natural gas, and more than nuclear and coal combined.

Currently, total wind generation is enough to power more than 12 million homes.

The production tax credit for wind energy became law in 1992. It “has generated $15 billion to $20 billion a year in private investment over the past five years, in the process becoming one of the fastest growing U.S. manufacturing industries,” according to the American Wind Energy Association, or AWEA.

Clean energy investments create jobs

Federal investments in clean energy technologies beginning in 2009 “created or save[d] nearly 1 million jobs [through 2010], according to a report from the Economic Policy Institute and the BlueGreen Alliance.” The Bureau of Labor Statistics recently determined that, “In 2010, 3.1 million jobs in the United States were associated with the production of green goods and services.”

The wind industry employs 75,000 people, according to AWEA. Jobs in the solar industry will grow by one-third to 124,000 between 2010 and 2012, according to the National Solar Jobs Census 2011. This includes an 11 percent increase in manufacturing jobs.

Investments in home energy efficiency save families money

The Department of Energy’s Weatherization Assistance Program has supported the weatherization of more than 750,000 low-income homes over the past three years. The program provides:

- Energy efficiency upgrades [that] include adding insulation, sealing ducts, and installing more efficient windows, heaters, and cooling systems -- and are lowering energy bills for low-income families across the country, supporting economic growth and creating jobs.

Weatherized homes saves the average household $400 in lower heating and cooling bills in the first year alone by reducing energy consumption by up to 35 percent.

Investments in alternative transportation will save oil, create jobs

We must also invest in alternatives to oil. Plug-in hybrids and all electric vehicles consume little or no gasoline. During their first year, the combined sales of the plug-in hybrid Chevrolet Volt and the all-electric Nissan Leaf were twice as large as the now-familiar Toyota Prius and Honda.
Insight hybrids during their first year. It took fifteen years after its introduction for the Toyota Prius to become the third best-selling car in the world today. In March, Chevrolet sold more Volts than in any previous month. Sales in the emerging plug-in electric car market rose 323 percent while auto sales rose 13.4 percent in the quarter overall.

The Volt and other innovative American oil-savings technologies require enhanced infrastructure to speed their adoption. There is a long history of government support for the infrastructure that is essential to grow pioneering technologies, from FM radio to telephones. Electric vehicles would likewise benefit from such assistance with recharging infrastructure. The Electric Drive Vehicle Deployment Act of 2011, H.R. 1685, sponsored by Reps. Judy Biggert (R-IL) and Ed Markey (D-MA) would provide financial assistance to states for the deployment of electric vehicles.

In addition to making more sophisticated electric-fueled vehicles, the United States is investing in the advanced batteries necessary to power them. In 2009 the United States had only two factories manufacturing advanced vehicle batteries, producing less than 2 percent of the worldwide share of batteries. Due to investments made under the Recovery Act, battery and parts manufacturers are building 30 U.S. factories. As of January 2012 the battery program has created and saved more than 1,800 jobs—not including construction jobs—according to a ProPublica analysis.

### Protect the public from pollution

Our use of coal and oil provide many essential economic and lifestyle benefits. These fuels have powered the United States to become the world’s largest economy. At the same time, our reliance on coal and oil has a huge hidden public health and economic price tag. The National Academy of Sciences concluded that combustion of these two fuels causes $120 billion annually in economic damage due to premature deaths, asthma attacks, hospitalizations, and lost productivity. Most vulnerable to acid rain, smog, toxics, and carbon pollution are children, seniors, and the infirm.

Fortunately, it is possible to use these fuels while reducing the pollution responsible for these human and economic harms. The Clean Air Act of 1990 provides the administration with tools to protect the public from these deadly air pollutants.

The Environmental Protection Agency has recently finalized rules to reduced major pollutants from power plants. In 2011 it finished the “Cross-State Air Pollution Rule,” designed to protect downwind states from acid rain or smog pollution from upwind states. It requires cuts in sulfur dioxide and nitrogen oxide pollution—the ingredients of acid rain and smog. This rule will prevent up to 34,000 premature deaths and avoid 858,000 other health problems annually, including 400,000 cases of aggravated asthma. These air quality improvements will result in $120 billion to $280 billion in annual benefits.
Another long overdue rule the EPA recently promulgated would require coal-fired power plants to dramatically reduce the emission of mercury, lead, arsenic, and other toxic pollutants. These contaminants can cause birth defects, brain damage, cancer, and other serious ailments. The EPA predicts that these reductions—which don’t take effect until 2015 or 2016—will save 11,000 lives annually and prevent more than 100,000 asthma and heart attacks too. These health improvements will provide economic benefits of up to $90 billion every year.

More domestic production will not lower gasoline prices

High oil prices are responsible for high gasoline prices. The Energy Information Administration estimates that the cost of crude oil was 66 percent of the cost of a gallon of gas in May 2012. And oil prices are set on the global market, which is controlled by the Organization of Petroleum Exporting Countries, a cartel. The Federal Trade Commission found that “OPEC attempts to maintain the price of oil by limiting output and assigning quotas.”

Other nations that produce most of their oil also experienced high gasoline prices this year. For instance, Canada had high gasoline prices too. The Edmonton Journal on March 30 reported that “Canadians are paying some of the highest prices they ever have for gasoline.”

No president has much control over oil prices, as noted by the Cato Institute and a survey of economists by the University of Chicago. The Wall Street Journal noted that:

Producing a lot of oil doesn't lower the price of gasoline in your country. According to the U.S. Energy Information Administration, Germans over the past three years have paid an average of $2.64 a gallon (excluding taxes), while Americans paid $2.69, even though the U.S. produced 5.4 million barrels of oil per day while Germany produced just 28,000.

Big Oil and their political allies claim that the expansion of oil drilling would lower gasoline prices. The Associated Press tested this hypothesis by analyzing three decades’ worth of monthly oil production and gasoline price data. AP determined that there is “no statistical correlation between how much oil comes out of U.S. wells and the price at the pump.”
House of Representatives ignores “all of the above” strategy?

This hearing is designed to examine whether the Obama administration has pursued an “all of the above” energy strategy. The record clearly shows that it has.

Unfortunately, the House of Representatives does not appear to have joined the administration in pursuit of that strategy. The House-passed fiscal year 2013 budget resolution, H. Con. Res. 112, sponsored by House Budget Committee Chairman Paul Ryan (R-WI) favors fossil fuels at the expense of cleaner, new renewable energy technologies. In addition, the House has passed numerous bills that would put children, senior citizens, and the infirm at risk by blocking or delaying long-overdue safeguards to protect them from pollution. Let’s quickly look at the House’s record on “all of the above” energy:

- The FY 2013 budget proposal calls for a $3 billion cut in energy programs in FY 2013 alone. From 2013 through 2017 the Ryan budget would spend a paltry total of $150 million over these five years on these programs—barely 20 percent of what was invested in 2012 alone.

- The proposal includes scant specifics about cuts in energy programs. Yet it explicitly calls for ending investments in programs that promote emerging technologies, which would include renewable, efficiency, advanced vehicle, and other emerging technologies:

  This budget would … [pare] back duplicative spending and non-core functions, such as applied and commercial research or development projects best left to the
private sector. And it would immediately terminate all programs that allow
government to play venture capitalist with taxpayers’ money.

- These cuts in energy programs could include:
  
  - Investments in the development of advanced batteries, essential for electric
    vehicles that use little or no oil.
  
  - Loans to auto companies to help them build super-fuel-efficient vehicles. For
    instance, a program signed into law by President George W. Bush provided a $5.9
    billion loan to Ford to help it build 2 million fuel-efficient vehicles annually while
    creating 33,000 jobs.
  
  - Tax incentives to encourage investment in wind and solar energy deployment,
    which will create electricity with little or no pollution.

- The Ryan budget would slash investments in clean energy technologies. According to the
  Office of Management and Budget:

  Clean energy programs would be cut by 19 percent over the next decade, derailing
  efforts to put a million electric vehicles on the road by 2015, retrofit residential
  homes to save energy and consumers money, and make the commercial building
  sector 20 percent more efficient by 2022.

- The House budget retains $40 billion in tax breaks for Big Oil companies over the
  coming decade.

- In the first session of the 112th Congress, the House of Representatives held 209 votes to
  weaken public health safeguards or environmental protections, according to an analysis
  by Reps. Henry Waxman (D-CA), Ed Markey (D-MA), and Howard Berman (D-CA).
  There were 77 votes to weaken the Clean Air Act, including efforts to “block EPA
  regulation of toxic mercury and other harmful emissions from power plants” and other
  major sources of dangerous air pollution.

- The House has not extended the production tax credit for wind and other renewable
  energy sources even though the credit expires at the end of 2012. Rep. Dave Reichert (R-
  WA) introduced the American Renewable Energy Production Tax Credit Extension Act,
  H.R. 3307, last November. Although it has 100 co-sponsors from both parties, it has not
  moved through the Ways and Means Committee or to the House floor.

  Biggert (R-IL) and Ed Markey (D-MA) was introduced in May 2011. It would create a
  “race to the top” for communities that wanted to invest in recharging infrastructure for
  electric vehicles. It has not been acted on, either.
Conclusion

As stated at the beginning, an “all of the above” strategy includes increasing oil and gas production, reducing use, investing in new clean energy technologies, and protection of public health. My testimony is just a brief summary of the available evidence that conclusively demonstrates—based on the record and not rhetoric—that President Obama has successfully pursued an “all of the above” energy strategy.

Just as clearly, the House of Representatives has ignored oil use reductions, slashed investments for new clean energy technologies, and would eliminate or eviscerate public health protection from hazardous pollutants.

In particular, the House budget’s disinvestment in clean energy threatens industries and jobs in a new worldwide economy that other nations are racing to claim. Such disinvestment policies wave the white flag of surrender by proposing to kill the public-private investments essential to compete with China, Germany, and other nations.

The record demonstrates that President Obama has successfully pursued an “all of the above” energy strategy that creates jobs, builds new industries, reduce families’ energy spending, and cuts pollution. Despite its rhetoric, it seems that the House of Representatives has pursued an “oil above all” strategy that would benefit big oil companies at the expense of everyone. Hopefully, the House of Representatives will pass bipartisan legislation that invests in clean technologies, as well as join President Obama in supporting “an all of the above” energy strategy.