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**STATEMENT OF REGINA A. MCCARTHY
ASSISTANT ADMINISTRATOR
OFFICE OF AIR AND RADIATION
U.S. ENVIRONMENTAL PROTECTION AGENCY**

**COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE
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Chairman Boxer, Ranking Member Inhofe, and Members of the Committee, thank you for the opportunity to testify today on transportation's role in reducing greenhouse gas (GHG) emissions and moving our country toward a clean energy economy. I am pleased to offer this testimony together with Secretary LaHood from the Department of Transportation. Our two agencies have developed a strong partnership and I look forward to continuing this relationship as we work together to enhance the transportation sector's role in meeting the challenges we are facing.

Today, transportation accounts for 29% of all U.S. greenhouse gas emissions. It is one of the fastest growing sources of greenhouse gas emissions. From 1990 to 2007, transportation greenhouse gas emissions rose by 29 percent due, in large part, to increased demand for travel and the stagnation of fuel efficiency across the U.S. vehicle fleet. The number of vehicle miles traveled by light duty motor vehicles (passenger cars and light-duty trucks) increased 40 percent from 1990 to 2007. This large and growing sector is almost wholly dependent on a single fuel and, in fact, accounts for over 70% of U.S. oil consumption. These numbers suggest the challenges we face in developing a low-carbon transportation sector. Transportation sits at the convergence of the climate

change and energy security debate and effective policies here can make tremendous progress toward a healthier planet and a more secure nation.

Congress has clearly recognized these opportunities. Recently, the House of Representatives passed the American Clean Energy and Security Act of 2009 which, in addition to covering the transportation sector through an upstream cap, includes a number of policies for the transportation sector, including engine standards, measures to help address GHG emissions from the existing vehicle fleet, and tools to help states and cities account for GHG impacts in their transportation planning. President Obama has said that he will support a bill that reflects the principles he believes are essential for our nation's energy future: decreasing our dependency on oil, creating millions of new jobs in emerging clean-energy technologies, and reducing the pollution that is a danger to our children. As Administrator Jackson said when she appeared before this Committee last week, clean energy is to this decade and the next what the Space Race was to the 1950s and '60s, and America is behind. Governments in Asia and Europe are ahead of the United States in setting policies that promote aggressive investments in clean-energy technology. American businesses need strong incentives for investments now in order for this nation to lead the 21st Century global economy.

I believe a comprehensive approach is necessary if we are to make progress towards a low-carbon transportation future. Let me describe a few of the steps this Administration has already taken. In May, President Obama announced a new National Policy to establish for the first time uniform federal standards to regulate both fuel economy and greenhouse gas emissions for cars and light-duty trucks. This historic

policy reflects unprecedented collaboration and consensus between the federal government, states, and private industry.

EPA and the DOT are working together to develop this program for a national fleet of more efficient passenger vehicles. The National Policy has also garnered the support of major stakeholders. They include the state of California, the United Auto Workers, and the CEOs of nine of the world's largest auto companies. The standards, if adopted, would achieve a 30% decrease in GHG emissions by 2016, compared to today's standards and assuming constant vehicle miles traveled. The environmental and energy security benefits of these standards would be significant. Preliminary analysis indicates cumulative greenhouse gas reductions of approximately 900 million metric tons (CO₂ equivalent) and fuel savings of approximately 1.8 billion barrels, over the lifetime of the model years covered.

Progress can also be made to reduce greenhouse gas emissions from heavy duty and nonroad vehicles and engines. In addition to the original petition regarding emissions from highway vehicles, EPA has received, and is currently evaluating, seven petitions from states and environmental organizations requesting that the Agency use existing Clean Air Act authorities to set GHG standards for locomotives, marine vessels, aircraft, and other nonroad engines. Together, these sources comprise 42 percent of all transportation greenhouse gas emissions in the United States. We expect significant growth in this sector in the coming years.

EPA also is making progress on another major policy that will impact the greenhouse gas emissions of the transportation sector—our expanded Renewable Fuel Standard. The Energy Independence and Security Act of 2007 mandates our transportation fuel include 36 billion gallons of renewable fuel by 2022. This volume includes a substantial increase in the volume of advanced cellulosic biofuels-reaching 16 billion gallons by 2022. In May the Administrator signed a notice of proposed rulemaking to implement these new standards. We are now using the comment period for this rule to conduct a further scientific and public review of EPA’s work, including our comprehensive methodology to evaluate the GHG impact of biofuels as required by the Act.

While lower carbon fuels and more efficient vehicles and engines are crucial to bringing about the transformational changes that are critically necessary to reduce transportation emissions, we must also address greenhouse gas emissions from the fleet of vehicles already navigating America’s highways, railways, and waterways. Through EPA’s SmartWay Transport program, we have joined with over 1500 industry partners in an effort to reduce fuel consumption in the freight sector. By deploying fuel efficiency improvements such as aerodynamic improvements, single-wide tires and auxiliary power units, these partners have significantly reduced their CO₂ emissions, saving hundreds of millions of gallons of diesel fuel each year. Through the SmartWay Transport program, the Agency has been able to assist both the freight industry and the general public in adopting cost-effective technologies and practices that can significantly reduce GHG emissions and save money for trucking firms, railroads and ship owners.

Providing incentives to reduce the number of miles we drive may also be part of the solution. There is no need to wait for some technological breakthrough to reduce the amount of driving we do. Strategies exist today to help people drive less. We know that investing in public transportation, making communities more walkable, and creating more housing near job centers results in less driving, less petroleum use, improved physical activity, and less greenhouse gas emissions. Reduced driving also brings important co-benefits. Fewer vehicle miles traveled will reduce criteria air pollutants and can provide greater protections for those most vulnerable among us from the debilitating health impacts of air pollution.

Rural, mid-sized and urban communities across the country are already successfully implementing these approaches. We see communities large and small increasing transportation options, putting environmental infrastructure where it makes sense, and connecting housing development to jobs, services and transportation choices. These smart decisions lead to healthier communities that are not only good for the environment, but are also socially and economically strong. They offer enhanced employment and educational opportunities, safe and affordable homes, better access to recreation, health care and other needs of daily life. These strategies also result in lower household transportation costs – especially important for rural and low-income households.

EPA is pleased to have recently joined DOT and HUD in a partnership focused on helping our communities have the tools they need to make these smart development

decisions. The Partnership for Sustainable Communities announced on June 16th by Secretaries LaHood and Donovan, and Administrator Jackson is designed to fully coordinate our actions to overcome the significant challenges we face together. Through this partnership, DOT, HUD, and EPA will coordinate federal housing, transportation, and other infrastructure investments to protect the environment, promote equitable development, and help to address climate change

I would like to thank Secretary LaHood for his leadership on this effort. His strong voice for better coordination of land-use and transportation investments to create more livable communities and reduce greenhouse gas emissions represents a bold new vision for the transportation system in this country and the relationships between our departments. We look forward to working with DOT and HUD and to sharing EPA's experience in transportation and air quality planning in our work together to make sure that investments by any one of our agencies will meet our shared policy goals.

In closing, I commend the Senate in wasting no time in answering the call of the President to demonstrate the same commitment we saw in the House to building a clean-energy foundation for a strong American economy. I am encouraged that this Committee is dedicated to continuing this momentum and to keeping transportation part of the solution. I would be pleased to answer any questions that you may have.