



COMMITTEE ON
SCIENCE, SPACE, & TECHNOLOGY
Lamar Smith, Chairman

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Statement of Chairman Lamar Smith (R-Texas)
At What Cost? Examining the Social Cost of Carbon

Chairman Smith: Thank you Chairman Biggs and congratulations on becoming Chairman of the Environment Subcommittee. I look forward to helping you restrain the EPA's out-of-control regulatory agenda.

The EPA, along with other federal agencies, often bases their regulations on models and science not familiar to most Americans.

Americans are led to believe that the EPA's regulations are based on the best science available. Unfortunately, this Committee has uncovered that this is not the case.

The EPA's track record does not inspire trust. For example, the EPA routinely relies on non-disclosed scientific studies to justify its regulations. How can Americans believe an agency that isn't being open and honest?

Another little known component of environmental regulations is the social cost of carbon. The EPA attempts to put a price on a ton of carbon emitted into the atmosphere.

This term is in many of the EPA's regulations. However, like many of the agency's determinations, it is often based on a one-sided political agenda.

Many factors contribute to the value of the social cost of carbon.

While multiple models are used to determine a value for carbon, the ones frequently used in regulations assume only a worst case scenario for climate change impacts.

Similar to climate models, which predict worst case scenarios and are repeatedly proved wrong, the social cost of carbon used by federal agencies is also flawed.

The federal government should not include faulty calculations to justify costly regulations, such as the Clean Power Plan and standards used by the Department of Energy. Instead, it should eliminate the use of the social cost of carbon until a credible value can be calculated.

Rushing to use unreliable calculations, such as the social cost of carbon, to justify a regulation is irresponsible and misleading.

For instance, the EPA's Clean Power Plan would cost billions of dollars every year in return for a minimal benefit on the environment. In fact, the regulation would reduce global temperatures by only 0.03 degrees Celsius and limit sea level rise by only the width of three sheets of paper.

One of the many components used to justify this rule is the social cost of carbon. This flawed value desperately attempts to justify the agency's alarmist reasoning for support of the Clean Power Plan and other climate regulations.

Agencies should rely on sound science, not flawed data. The fact that different models for the social cost of carbon exist and all have different values is a testament to how uncertain the science behind the value really is.

The social cost of carbon ranges from negative values to \$37 per ton, which is the estimate used by government agencies under the Obama administration.

Before the EPA includes this value in rulemakings, the agency should reassess how it is modeled and valued.

Americans deserve credible science, not regulations based on data that is suspect and calculated to justify the EPA's climate agenda. Sound science and actual data should lead the way, not politically calculated social costs.

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