



Consumer Federation of America

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A DRAMATIC SHIFT IN ENERGY POLICY

Congress Breaks the Logjam, but Vigorous Implementation Is Needed So Consumers Can Reap the Benefits of the New Policy

Statement of Mark Cooper, Consumer Federation of America, on Senate Passage of Legislation to Increase Vehicle Fuel Economy Standards and Production of Biofuels

There is no doubt that consumers, the nation and the environment won a huge victory when the Senate passed compromise energy legislation, but we must be vigilant to ensure that federal regulatory agencies do not turn this enormous victory into defeat.

Our analysis of the efficiency and biofuels portions of the compromise shows that if implemented fully, they will

- save consumers over \$160 billion dollars in the decade ahead,
- reduce gasoline consumption and oil imports by 60 billion gallons, and
- cut greenhouse gas emissions by over 650 million tons.
- lower consumer utility bill by raising the efficiency of lighting and appliances

The two agencies that will play a key role in setting new efficiency standards – the National Highway Transportation Safety Agency and the Department of Energy -- have repeatedly lost court cases in the last year for failing to act aggressively to promote the public interest. We hope that this new legislation will finally send them a signal that now is the time to be aggressive in implementing these important new standards.

When President Ronald Reagan was confronted with a dramatic shift in the approach to nuclear arms reduction he coined the phrase “trust but verify.” We need to take the same approach to the federal agencies that will be in charge of implementing the new energy policy. We “trust” that they will do the right thing, but we intend to “verify” that they actually do.

This is the first big step on what will be a long march to a brighter energy future. Unfortunately, the Senate dropped provisions to require a renewable electricity standard and preserved tax breaks for oil companies without incentives for the production of renewable energy and funds for research on new technologies. As such, the Senate left a lot of work for the next session of Congress, but we are encouraged that energy policy in the U.S. is finally headed in the right direction

CFA is a non-profit association of some 300 pro-consumer groups, which seeks to advance the consumer interest through research, education and advocacy.