

REP. MIKE PENCE CONFERENCE CALL TO RESPOND TO PRESIDENT OBAMA'S ENERGY REMARKS

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HOUSE REPUBLICAN CHAIRMAN MIKE PENCE: Great, I appreciate you all taking time. I'm on the road in Colorado today. I appreciate you permitting me to join you by cell phone, and I had an opportunity to look over the president's remarks today, and as I travel across the country and look forward to being home in Indiana this week. The House Republicans know that this is a very difficult time in the life of our nation.

American families are hurting under the weight of the worst recession in a generation and the answer the President touted today and the answer that narrowly passed the House of Representatives last Friday amounts to a National Energy Tax that will raise the cost of utilities and goods and services in this country by thousands of dollars a year. It will cost millions of American jobs. Now, there is some dispute over how much the household energy costs will raise for every American. Estimates range from hundreds of dollars to thousands of dollars. But there's really no dispute that utility rates will increase across this country and that will cost American jobs.

It was not surprising to see the President focusing on jobs today in his remarks because I think that the more the American people focus on Cap and Trade legislation, the more they understand that it is nothing more than a National Energy Tax that will put millions of Americans out of work.

The president today touted the creation of green jobs that would result from this Cap and Trade legislation. The House Republicans certainly would grant that there will be green jobs created but as a study from the University of Madrid from the Universidad Rey Juan Carlos found that for every green job created in the aftermath of Spain's Cap and Trade regime, 2.2 traditional jobs in the economy were destroyed. And, the common sense of the American people understand if you raise the cost of energy that to businesses across this country the jobs will be lost. And, the Democrats certainly know this. That's why they included an enormous amount of money in the Waxman-Markey bill to provide benefits to the millions of Americans who would lose their jobs should the legislation become law.

One other item of note, the President in his remarks today cited California, and California's willingness to enact tougher energy efficiency policy as a place where Americans look for our energy future. I think it is very instructive for the American people to look at the experience of California. Most Americans remember the rolling blackouts and skyrocketing electricity prices that caused Governor Schwarzenegger's predecessor to be recalled by the people earlier this decade. The fact is that in the state of California, the average California electricity bill has increased 34% since 1990. These higher energy prices have driven many businesses out of the state of California. In addition, the state of California has had to import 60% more coal-based electricity from other states such as Arizona, Nevada, Utah from 1983-2005 because they refused for building any new plants for the last 20 years, from 1980 to 2000. California now imports more electricity than any other state. Of course, we all know about the extraordinary economic and budgetary crisis that's taking place in the state of California. I think that California is a place that the American people ought to look to evaluate the Cap and Trade legislation of this administration. And on that basis, they should reject it.

House Republicans have an alternative that is built on all of the above approach that the American people embrace. We, under the American Energy Solutions Group that I have the privilege of chairing, we've developed the American Energy Act which says yes to more domestic exploration for oil and natural gas. It creates a renewable energy fund from those places to underwrite and provide resources for new technology development and renewable like wind and solar and other technology.

We also call for 100 new power plants in the next twenty years. Also, [we] have broad range of tax incentives to encourage conservation by businesses and individuals. We believe the all of the above strategy rather than a National Energy Tax is the direction the American people would have our national government take this country. We believe our solution will achieve greater energy independence, will create jobs, and resolve in a cleaner environment. So we will continue to take that case to the country. With that, I'm happy to take questions from whomever.

THOMAS EDSALL THE NEW REPUBLIC: Congressman two things, do you have a cost estimate of the legislation? And two: you referred to a study in by a university in Spain, can you have Gail or somebody get that out to us?

CONGRESSMAN PENCE: Yes, I would be very pleased to do that. The cost of the American Energy Act...

EDSALL: Of the Cap and Trade Legislation...

CONGRESSMAN PENCE: Oh, the cost of the Cap and Trade legislation. Well, let me say there have been a number of estimates that have been rendered. I know that the Heritage Foundation projected that the Waxman-Markey Cap and Trade legislation would cost the average American household more than \$4,000 per year in additional energy cost and increased prices related to energy. CBO came out with a number that suggested that the impact would be a gross number of \$1,400 per household but they believe that government expenditures would mitigate that to I think somewhere around \$170 per household per year.

But, for our part, I think there is a lot of dispute about how much the Cap and Trade legislation would cost American consumers. The estimate I prefer is what the president said to the San Francisco Chronicle in January 2008 in which he said that under his cap and trade plan utility rates would "necessarily skyrocket", and he went on to say that that would certainly be "passed along to consumers." So the reason why this bill only narrowly passed the House, it's because I think there's growing public awareness that this is in fact a National Energy Tax with regard to the study by the University of Spain. I know I've got a couple of staffers listening in here so I'll just direct them to send along a link to that report. And it figured that, it was from the Universidad Rey Juan Carlos, and it was a study of the impact of the Cap and Trade legislation in Spain, and again, found, I believe the number was, that for every green job created, there were 2.2 jobs lost in their economy. But we'll be happy to forward that to you. That was prepared by an academic at that university that testified before our solutions group.