Gov. Perry: Innovation Will Help Create New Clean Energy Sources

*Note - Gov. Perry frequently departs from prepared remarks.

**Wednesday, August 19, 2009**

Thank you, Jim [Oberwetter, President, Dallas Regional Chamber of Commerce] and thank you for the hard work you and your folks at the Chamber do to draw attention to the economic engine known as Dallas.

The Metroplex plays an essential role in our state’s success story of economic strength in the midst of global turmoil, and is proof that the freedom to innovate and compete with minimal government interference is the key to success.

I’d also like to recognize our distinguished legislators here today. Senator Seliger, it’s good to have you here.

And, joining us from the House, Representatives King, Anchia and Lewis. Thank you for being here today.

It’s also nice to see a man who knows a little something about energy, Mr. Howard Hawks, the co-founder and CEO of Tenaska Energy.

We’re here to demonstrate the Texas approach to solving challenges by signing two bills that move our state forward in the quest for energy independence…with incentives instead of sweeping mandates.

When it comes to sweeping mandates, nobody does those better than Washington and there’s another big one coming down the pike.

If you’re worried about the Cap & Trade legislation being considered in Washington, its potentially destructive impact on our energy industry, and the disastrous effect its skyrocketing energy prices would have on our economy, you’ll be pleased to know that there is a better way.

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I’m talking about a better way than the typical Washington approach that will create yet another enormous bureaucracy, generate miles of strangling red tape and siphon off even more tax dollars.

Did you see the Congressional Budget Office report that it’ll cost $7.5 billion over ten years just to administer the Waxman-Markey cap & trade plan?

Who do you think is going to pick up that tab? The taxpayers.

Folks need to know you can clean up the air without heavy-handed mandates. We’ve done it here in Texas.

The air we breathe in Texas is cleaner than it was 20 years ago.

Between 2000 and 2008, we achieved a 22 percent reduction of statewide ozone levels, especially here in the Metroplex, the first and only metropolitan area in the country to reach the EPA’s target.

That result encourages us all to keep going with our innovative, incentive-driven approaches to this challenge and others like it.

I sincerely hope that when Congress reconvenes this fall, the Senate will take heed of our success in Texas and reject this legislation.

There is no question that we need to continue building our portfolio of energy sources, but we can’t replace traditional energy sources on arbitrary timelines, relying on undeveloped technologies, and punishing those who cannot comply.

Instead, we should offer incentives that bring out the best in our people, appeal to their competitive spirit and free them to innovate.

Texas has always been a state of innovators, of risk-takers, of people who willing to step outside their comfort zone to pursue a grand idea.

That mindset has helped make our energy industry the nation’s bellwether and our overall economy its leader.

There is no doubt that hardworking Texans get the credit for our success, but I believe our approach to governing helped pave the way.

Our ongoing emphasis on low taxes, predictable regulations and a fair legal system has enabled Texas employers to focus on innovative products, wise investment and more jobs.

These two bills today are the latest examples of that approach.

House Bill 432 addresses the fact that our state is a leader in the research and production of alternative fuels, but we lack the infrastructure to get it to drivers who would use it to fuel their vehicles.

Since our state already spends money on a fleet, this bill requires it to include vehicles that use alternative fuels.

That will drive the creation of a basic distribution infrastructure and take advantage of the fuels we produce in Texas,
including that natural gas coming from the Barnett Shale.

The second bill here today is House Bill 469, which offers a prize to the first companies to come up with clean coal processes that not only work on paper, but work in real life as well.

Howard [Hawks], you’re an energy guy. Does the possibility of a one hundred million dollar franchise tax credit get your attention?

Thanks to this bill, the first three entities to design and build a coal plant that achieves a seventy-percent carbon capture rate will qualify.

That’s an incentive that should encourage innovators to accelerate their efforts that will ultimately clean up our air.

The bill also provides tax incentives for companies purchasing equipment they use to capture, transport and store CO2, and for companies using CO2 for enhanced oil recovery.

These are bold steps that continue our state’s tradition of innovation and will keep us out front in meeting our nation’s energy challenges.

I am proud of our legislators’ innovative approaches and think they deserve the chance to share their thoughts as well.

Let’s start with this bill’s Senate sponsor, Kel Seliger. Senator?
SELIGER SPEAKS, INTRODUCES KING, KING SPEAKS

Thank you, Phil and thank you all for your service to our state.

Now, show America how to solve energy challenges, Texas-style.

Let’s take questions from our friends in the working press here today.