

An E&E Publishing Service

CLIMATE: Democratic leaders want 'strong bill' on global warming, Waxman says (Wednesday, March 21, 2007)

Darren Samuelsohn, *E&E Daily* senior reporter

This story first appeared in yesterday's edition of [E&ENews PM](#).

House Democratic leaders expect Congress to produce global warming legislation that establishes strict limits on U.S. greenhouse gas emissions, Rep. Henry Waxman (D-Calif.) said yesterday.

[image removed](#)

"I don't think we're going to have a watered-down bill coming out," said Waxman, the chairman of the House Oversight and Government Reform Committee. "The message from leadership is they want a strong bill."

Also a senior member on the Energy and Commerce Committee, Waxman commented on the prospects for climate change legislation during a press conference where he announced the reintroduction of a bill that calls for 80 percent reductions in U.S. emissions by mid-century.

While other climate bills seek a political middleground or a symbolic target, Waxman said his proposal demands attention because it would do the most to counter the effects of climate change.

"It reflects what the science tells us we need to do protect our children and future generations from irreversible and catastrophic global warming," he said.

The Waxman bill, [H.R. 1590](#), also known as the "Safe Climate Act," counts 127 cosponsors, including two Republicans: Reps. Chris Shays (Conn.) and Frank LoBiondo (N.J.), Waxman aides said. An earlier and nearly identical bill from the previous 109th Congress peaked at 113 cosponsors, including then House Minority Leader Nancy Pelosi (D-Calif.).

This time around, Pelosi will not cosponsor any climate bill because of her role as speaker of the House, Pelosi spokesman Drew Hammill said. "At this point, she is not taking positions on specific bills, since the Energy and Commerce Committee

and other committees are engaged in a thorough review of the climate change issue and policies to address it," Hamill said.

But Pelosi does support Waxman's comment that Congress should respond aggressively to global warming. "Speaker Pelosi wants a strong climate change bill," he said.

Waxman's legislation will be referred to the Energy and Commerce Committee, where he serves as the second most senior Democrat behind Chairman John Dingell (D-Mich.). In an interview yesterday, Dingell said he would not comment on Waxman's proposal until he has read it.

Asked for comment on the general idea of an 80 percent cut in U.S. emissions by 2050, Dingell responded, "First of all, we're going to consider everything. We're going to try to write a good bill. And we'll want to see whether the folks who are demanding that 80 percent cut will be as enthusiastic when they get it as they appear to be now."

Enviros press for tight limits

Written comments from the industry and environmental groups that were submitted Monday to Dingell's committee continue to make their way to the media.

The Natural Resources Defense Council, Environmental Defense and U.S. PIRG all released written recommendations that agree on legislation cutting U.S. emissions by at least 80 percent by 2050.

NRDC [said](#) the overall global goal should be to stabilize atmospheric concentrations of carbon dioxide at 450 parts per million, a roughly 18 percent increase from current levels of 380 parts per million.

A U.S. cap-and-trade system should cover all sectors of the economy, NRDC said, including power plants, transportation, natural gas distributors and other major sources of emissions.

If Congress goes the route of a cap-and-trade system, NRDC also chimed in on how lawmakers should distribute the allowances.

The group urged lawmakers to set aside at least 50 percent of the credits for cost-saving energy efficiency investments. Another quarter should go toward "big change" technology incentives, such as carbon capture and sequestration at coal-fired power plants and hybrid gas-electric engines.

NRDC also recommended 20 percent of the credits should be distributed to help local areas affected by climate change, such as Gulf Coast wetlands restoration or

Alaskan village relocations.

U.S. PIRG [recommended](#) Congress auction off all 100 percent of the emission allowances, as opposed to a free distribution of the credits as some industry groups have suggested. According to PIRG, "Auctioning allowances is fairer and more economically efficient than free distribution and creates revenues that can be used for public purposes, including investments in clean energy technologies and energy efficiency."

Environmental Defense [said](#) the U.S. cap-and-trade system should begin no later than 2010. "Delaying enactment and implementation will make the task of stabilizing concentrations even harder, more economically disruptive and possible only at a higher level of GHG concentrations in the atmosphere," the group wrote.

Lawmakers also should avoid setting a "safety valve" that limits compliance costs -- an idea most commonly associated with legislation from Sen. Jeff Bingaman (D-N.M.). Environmental Defense said, "A price cap form of safety valve could undercut the development of the very technologies that some high-emitting industries will need in the future to meet their emissions targets."

NPRA warns against cap and trade

The National Petrochemical and Refiners Association [weighed](#) in on the climate change legislative debate by urging Dingell to carefully consider the economic effects should he try to create a cap-and-trade program for U.S. emissions.

"Although NPRA supports market-mechanisms in general, 'cap-and-trade' may not be the answer as an overarching GHG reduction strategy," the group said.

NPRA said it is concerned that a U.S. system for greenhouse gases will not follow after the often-quoted example of the acid rain trading program established by the Clean Air Act's 1990 amendments. The industry group also said it is evaluating the European Union's experiences with the Kyoto Protocol, including the "price volatility" that took place during the system's first two years in operation.

If Congress does decide to address global warming with a cap-and-trade plan, NPRA recommended "it should be broad-based and global."

The group added, "Any 'cap-and-trade' requirement must cover as much of this nation's greenhouse gas emissions as are politically and administratively possible and be contingent on appropriate global controls to avoid unilateral economic damage to the U.S."

Responding to new carbon limits in place in California and the Northeast, NPRA recommended Congress "pre-empt the patchwork of state legislation in order to

have a single national policy framework for climate change."

And looking beyond the U.S. border, NPRA called on Congress to consider "incentives that encourage action by other countries" such as China. "It is imperative to the U.S. economy that any actions are taken in a context that assures US trade and industrial base is not eroded due to an 'uneven international playing field.'"

Consider trade sanctions?

In its [comments](#), the Industrial Energy Consumers of America joined the chorus calling for the consideration of new U.S. trade policies that penalize United States imports if they come from countries without their own carbon limit.

"We have driven 3.0 million manufacturing jobs offshore and then we import the same products that were once produced in the United States," the IECA wrote. "We must explore policies that 'border adjust' imported products and is smart policy for world markets."

American Electric Power and the International Brotherhood of Electrical Workers recently published an opinion-editorial on the trade sanction approach, and Sen. Carl Levin (D-Mich.) proposed a similar idea in January during a hearing in the Senate Environment and Public Works Committee ([E&E Daily](#), Jan. 31).

[Click here](#) for the Natural Resources Defense Council's comments.

[Click here](#) for the U.S. Public Interest Research Group's comments.

[Click here](#) for Environmental Defense's comments.

[Click here](#) for the National Petrochemical and Refiners Association's comments.

[Click here](#) for the Industrial Energy Consumers of America's comments.

Want to read more stories like this?

[Click here](#) to start a free trial to E&E -- the best way to track policy and markets.

About E&E Daily

Environment & Energy Daily (E&E Daily) is written and produced by the staff of E&E Publishing, LLC. Designed for policy players who need to know what's happening to their issues on Capitol Hill, from federal agency appropriations to comprehensive energy legislation, E&E Daily is the place insiders go to track their environmental and energy issues in Congress. E&E Daily publishes daily by 9

a.m. while Congress is in session.

E&E Publishing, LLC
122 C St., Ste. 722, NW, Wash.,
D.C. 20001.
Phone: 202-628-6500. Fax: 202-737-
5299.
www.eenews.net

All content is copyrighted and may not be reproduced or retransmitted without the express consent of E&E Publishing, LLC. [Click here](#) to view our privacy policy.