

**CLIMATE: Lieberman-Warner plan tightens emissions cap, limits credits** *(Tuesday, October 16, 2007 )*

**Darren Samuelsohn, *Greenwire* senior reporter**

Sens. Joe Lieberman (I-Conn.) and John Warner (R-Va.) have made two major changes to global warming legislation they plan to introduce Thursday, including tighter caps on heat-trapping emissions in 2020 and fewer free credits for manufacturers, sources on and off Capitol Hill said today.

[image removed](#)

The new proposal includes a 15 percent cut in greenhouse gas emissions in 2020 compared with 2005 levels. A draft circulated in August called for cuts of 10 percent in 2020.

Lieberman and Warner also have agreed to drop the free distribution of pollution credits for manufacturers after 2036 in favor of including the key industrial sector in an auction where they must compete with power plants, petroleum refiners and others. Manufacturers under the draft bill would have been given free credits until 2050.

There are no other major changes to the Lieberman-Warner plan, a Lieberman aide confirmed. The proposal seeks an overall cut of 70 percent by mid-century, though the bill also only covers about 80 percent of total U.S. emissions every year and doesn't cover residential and commercial buildings or agriculture.

Overall, the Lieberman-Warner bill starts with an auction for 24 percent of the pollution credits in 2012. By 2036, 73 percent of the annual credits will be auctioned.

The Lieberman-Warner plan is likely to splinter some key constituencies, including environmental groups.

"It's a strong step in the right direction here," said Anthony Kreindler, a spokesman for

Environmental Defense. "That's our general take. It's a strong bill with strong prospects."

But Clean Air Watch and U.S. PIRG think the Lieberman-Warner plan moves too far from their goals. They want the bill to include a complete 100 percent auction of credits for the cap-and-trade plan. And they think the legislation should cover the entire U.S. economy and not sidestep the U.S. economy's other 20 percent of greenhouse gases.

Lieberman, chairman of a Senate Environment and Public Works subcommittee on global warming, has told reporters he wants to win at least a one-vote majority when his panel holds a markup before the end of the month. The four-term senator and former vice presidential candidate in 2000 also said he would like to see Senate floor debate on climate legislation either late this year or early next year.

A Lieberman aide said today that that schedule remains.

Senate Environment and Public Works Committee Chairwoman Barbara Boxer (D-Calif.) has promised a hearing on the Lieberman-Warner bill in the full committee, as well as other legislative options for climate change. But she hasn't spelled out in detail a schedule for further committee action.

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E&E Publishing, LLC  
122 C St., Ste. 722, NW,  
Wash., D.C. 20001.  
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