

Democratic Senators advance climate bill, but colleagues fret over pre-empting EPA and local authority

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NEW YORK – A sweeping US energy and climate bill that had been the subject of closed meeting on capital hill for much of the week may be on its way to debate where the legislation has stalled in the Senate, but may also contain concessions to industry the will not appeal to the American or international environmental community, US media have reported.

Charles Digges, 03-19-2010



Many Democrats and environmentalists worry that the Kerry-Graham-Lieberman climate bill's newest iteration cuts EPA authority and makes too many concessions to industry. johnkerry.com

The climate legislation's co-authors, Senators John Kerry, Democrat of Massachusetts, South Carolina Democrat Lindsay Graham, and Joe Lieberman, Connecticut' Independent have been under the gun to produce a bill for debate this spring, this this week met behinds closed doors with major US Industry representatives, according to Senate staffers interviewed by Bellona Web.

What emerged was an eight-page outline of their draft plant that would curb US greenhouse gas emissions by the already announce 17 percent below 2005 levels by 2020, and 80 percent by 2050; regulation of power plant

emissions. Power plant emissions would come under regulation by 2012 while other major industrial power supplies would be brought online by 2016.

But the proposal also made concessions to industry demands to forestall US Environmental Protection Agency climate regulations to be enacted under the Clean Air act. The proposal also said that power industry plants that emit 25,000 per year of greenhouse gases would be required to participate in the climate programme. Further, the proposal would stop several dozen state climate laws that are currently on the law books, ClimateWire reported, citing sources who had been in the closed-door meetings.

Secret weapon destroyed?

This portion of the draft is especially worrying to international environmental groups like Bellona, who had counted on EPA regulation being able to pick up where the Senate may fall short its own legislative efforts.

The proposal's mollification of US Industry's worries has left many Democratic Senators and state and local air regulators concerned that this latest draft of the Senate climate and energy bill will strip the authority and the EPA, Senate staffer told Bellona Web.

Nevada Democrat and Senate Majority Leader Harry Reid has been weighing different options than the so-called Kerry-Graham-Lieberman bill. On Monday he reportedly huddled with New Mexico Democratic Senator Jeff Bingaman and New Mexico Senator Byron Douglas to plead that the energy legislation approved last spring by Bingaman's Energy and Natural resources committee. That bill contains a renewable energy standard as well as offshore drilling, but sets no limits on emissions.

No decision was made on strategies to approach a Senate floor debate during this meeting, ClimateWire reported.

"We have a bill out of the Energy Committee," Reid told reporters Tuesday. "The question is, do we amend that with climate change stuff? Or do we come up with a bill to take care of all that?"

What will come of EPA regulations?

Of most concern to many ranking Democrats, however, is the suggestion in the proposal of curbing EPA authority and state laws.

EPA officials say the agency is bound by science and the law to move forward with the rules after the U.S. Supreme Court ruled in 2007 that the agency had the authority to regulate greenhouse gas emissions.

Jackson has said that EPA plans to gradually begin phasing in permitting requirements starting with the largest stationary sources next year.

"I don't think (the proposal) should pre-empt EPA from anything," said Senator Dianne Feinstein, Democrat of California and chairwoman of the subcommittee that oversees EPA's budget.

Rhode Islands Democratic Senator Sheldon Whitehouse told reporters that he would be considering the factors in the Kerry-Graham-Lieberman bill that would pre-empt EPA regulation before voting on it.

"There are a lot of states that are out on this already, and a lot depends on my perception of whether we're undercutting their efforts and how rigorous our process is," Whitehouse said in a statement.

"I hope the sponsors, in pursuing support from the US Chamber of Commerce and other industrial groups, have not crossed the line on pre-emption," Bill Becker, executive director of

the National Association of Clean Air Agencies, told reporters. Becker's group represents state and local air pollution control agencies nationwide.

"Climate change is such a monumental problem that action at all levels – local, state and federal -- is essential if we are serious about achieving our ultimate goals," Becker added. "Future climate legislation should build upon this successful partnership, not supplant it, and preserve the rights of state and local governments to take more stringent actions where needed."

Bill Snape, senior counsel for the Center for Biological Diversity, told the New York Times his group would oppose Clean Air Act limitations. "I think if there are Clean Air Act pre-emptions in it, it's a deal-killer," Snape said. "We're going to go after it as hard as we know how."

Kerry & Co. trying to sweeten pot for Industry – but nod to EPA

Yesterday, Kerry told the industry groups he hopes to formally introduce the bill in mid-April, with a full outline to be delivered Tuesday during a meeting with a larger group of senators who have been working over the last year on the climate and energy issue.

The senators also hope to send their proposal to EPA and the Congressional Budget Office by the end of next week for a five-to six-week analysis, ClimateWire reported.

"It's just the logistics of getting the language done," Kerry told reporters. "So I'm not going to tell you exactly. But our target is somewhere toward that period of time or during the break."

The Kerry-Graham-Lieberman bill will include eight titles: Refining, America's Farmers, Consumer Refunds, Clean Energy Innovation, Coal, Natural Gas, Nuclear and Energy Independence, according to sources. It would establish new nationwide standards for energy efficiency and renewable energy, and include ideas on carbon market regulation crafted by Senators Maria Cantwell, a Washington Democrat and Susan Collins of Maine, Also a democrat..

Additional layers of certainty for industry come via a "hard price collar" that limits greenhouse gas allowances to between \$10 and \$30 per ton tagged to inflation, with an increase at a to-be-determined "fixed rate" over time. The legislation would also set aside a "strategic reserve" of 4 billion greenhouse gas credits that could be released into the market to help control price volatility fluctuations, said ClimateWire.

"We obviously talked some substance," Kerry told reporters. "We went through an outline of things we're thinking about."